THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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ONLY MODERATE PROSPERITY IS ASSURED AS YET

Profit on the Wheat Crop an Important Factor

EUROPE DISTURBING

Buying Power of European Countries an Important Factor in Setting the Export Price

The air of hesitancy in business continues. Developments in the European situation have served to add to the complexity in their bearing on our export markets. At home the crop developments continue generally satisfactory but there is no assurance as to the margin of profit and, with the volume of new buying uncertain, orders are largely of a hand-to-mouth character. Prices of commodities are showing some tendency to ease and this should improve the position of the farmers from the buying standpoint. Even with some of the labor organizations there are evidences of a realization that further wage advances are not healthy. The downward tendency of industrial securities on the New York market has further clouded the outlook as indicating that adjustments must be carried further to encourage a resumption of buying; the other view is that trading sentiment has turned from undue optimism to unwarranted pessimism.

Harvest help is the big question bothering the farmers. Even at present the demand for men for the farms is not being met, and what will happen when the Western harvest gets under way is a question which no one seems able to answer. There are but few workers reaching the prairies from outside points and they are being picked up quickly when they really want to work. A complaint comes from Calgary that the government employment bureau is not taking proper means to bring in the needed help because there is evidently an idea that it is the duty of the bureau to keep wages high.

What Wages Can be Paid?

One question to be decided is the rate of wages which can be paid by the farmer to leave him a margin of profit. The indications are that many farmers will be forced to pay more for their labor than they can afford. The drop in the price of wheat and the costs of harvesting and threshing expenses will, in many cases, leave the farmer barely enough to plant and handle the crop. It is evident that the merchants and banks are beginning to consider this point and are using every pressure to get their obligations settled just as soon as there is money available. The implement houses are following the same policy. In many cases farmers have been using implements on which they have paid a very small amount and if the liens were now exercised the companies would be heavy losers. In some cases the implement houses are taking the stand that they will seize the implements and interfere with harvest operations if they are not given a reasonable assurance of substantial payments out of the crop. Where men are not in a position to pay a good part down, the implement companies are advising farmers to repair their old implements and make them do this season rather than go into debt for new ones.

Farmers' Prosperity Essential

There now seems to be a more general recognition in business circles of the necessity for the farmer to make a success of his affairs if the community is to be prosperous. If this should lead to closer co-operation between business men generally and the farmer it would be a good thing for Western Canada.

The uncertainty prevailing in business circles in the United States as to the future is not only indicated in the investment trend but in the contrary views expressed by students of the situation. Moody's Weekly Review hints at further price adjustments to lower levels:

> The feature of the business situation is the weakness of commodity prices. Not merely the conspicuous commodities like wheat or cotton, but also scores of

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Farm Labor Problem Serious in Ontario

From Our Own Correspondent

ONTARIO.—Farmers are now in the thick of harvesting, and in many cases are badly handicapped for lack of help. The shortage was never greater. In some cases as high as $65 a month with board is offered with little response.

Hay has been cut and housed under most favorable conditions, and the yield is also first-class. In many cases the grain harvest has overtaken haying, to the detriment of the latter crop.

Fall wheat is very variable in both yield and quality. The yield in some counties is placed from twenty to thirty bushels per acre, but the average for the province is likely to be nearer the first-named figure.

Sales Tax to Apply on Deliveries in New Year

Manufacturers who are now starting to book orders for delivery after the first of the year have to consider the application of the new sales tax. The six per cent. tax will apply. Final regulations have not yet been sent out by Ottawa but these are expected within a couple of weeks. Generally speaking, the manufacturers will make the collection and at the highest point of manufacture. Licensed manufacturers in selling to retailers and unlicensed wholesalers will add six per cent. and will show it in their invoices. The wholesalers will include the tax in their prices so that the tax will not be applied on their selling price and so that their costs may not be indicated. In the case of licensed wholesalers selling goods to other than licensed manufacturers, the tax will then be added, but in this case it will probably be on the basis of the price paid rather than the price at which the goods are sold. When the licensed manufacturer sells to a licensed wholesaler, there is no tax.

INSURANCE BY GOVERNMENT IS NOT PRACTICAL

National Railways Plan Wrong According to Experts

Some discussion of the decision reached at Ottawa last spring to discontinue insuring the National Railroad System, and the Canadian Government Merchant Marine, in private companies, has arisen. The general opinion among insurance men, as pointed out by THE FINANCIAL POST at the time, is that the railway could readily assume the smaller isolated risks, but that it would be extremely dangerous to carry the risks in such places as Montreal, Toronto, Fort William, where huge concentrations of property are held.

This opinion is confirmed by an official who has had wide experience in railway and public utility insurance for many years in Canada and the United States, in a statement to THE FINANCIAL POST. He says:

"No corporation is big enough to carry all of its own insurance, especially is this true in railways; large congestion in freight yards of cars and merchandise in transit where the tracks run up against the storage sheds and railroad warehouses and grain elevators causes at times terrific loss. All the railroads in the United States carry insurance; if they do not carry a general schedule policy they carry a policy for covering the large congestion of values. No railroad here would think of rendering themselves liable to a loss of over $100,000 or $150,000 without insurance.

"The Pennsylvania System has a very large fund and in spite of this they carry a policy that covers them for any loss in excess of $250,000. The Canadian Pacific Railway has studied this matter very carefully. They have gone into every phase of it and decided they cannot afford to carry their own insurance except on the smaller items and the scattered rolling stock.

"Take the National Railways schedule. If it were offered to any one company they would not carry it, but they would distribute the large values around one hundred or more companies by way of reinsurance. No corporation can afford to disregard the laws of average, and the lines that a company can assume in its fund must be averaged. The National Railways will undoubtedly before many years, owing to their lack of inspection and insurance care, inflict the people of Canada with a tremendous loss which will be charged up as an operating expense and ultimately come back to the taxpayers. This has been the universal experience of companies trying to do this thing the way they are trying to."

The practice of reinsuring, as outlined in this statement, is one which has been followed for a long time. It results in each company having ultimately the same amount at risk, but instead of this being on a few large properties, it is widely scattered in small liabilities over wide areas.

DRYDEN PRODUCING MORE KRAFT PAPER

Has Added to Capacity of Mill to Avoid Selling Pulp at Loss

From Our Own Correspondent

MONTREAL.—Dryden Paper Company has practically completed the programme of expansion that has been under way at its mill at Dryden, Ontario, and now has its new wrapping paper machine in operation. This machine has a daily capacity of from ten to fifteen tons of paper, bringing the total capacity of the plant to 50 tons daily of heavy and light weight kraft and manila wrapping papers. The pulp mill has a daily capacity of 75 tons of kraft pulp.

The wrapping paper has always been the profitable end of Dryden's business and its losses in the past have been due largely to the necessity of selling kraft or sulphate pulp at less than cost of production. The new machine capacity means that a larger proportion of the company's pulp is converted into paper within its own organization. The excess pulp THE FINANCIAL POST learns, is now being marketed without loss.

HAVE BIG CROP BUT THE PRICE NOT TO BE HIGH

Buying Power of Europe is an Important Factor

STATES COMPETITION

Not Likely That Tendency to Hold for Higher Prices Will Affect the World Market

From Our Own Correspondent

OTTAWA.—The announcement by the International Institute of its estimate of the world's wheat, exclusive of Russia, has convinced agricultural officials here that low prices are inevitable. It has now been demonstrated that the low level of prices is due to surplus production rather than to the inability of Europe to buy.

The International Institute estimates the world's yield of wheat at 3,318,000,000 bushels, as compared with 3,104,000,000 for last year, the excess being 214,000,000 bushels. Europe, without Russia, is credited with 155,000,000 bushels more than last year. The Institute also estimates that Canada will have an exportable surplus of 290,000,000 bushels.

During the 10 months of the crop year ending June, Canada exported 205,597,000 bushels of wheat and 9,637,083 barrels of flour, the two representing 249,000,000 bushels. As the returns for another two months have to be added, it is probable that the total for the year will run to 275,000,000 bushels.

It is quite evident from this that the International Institute is counting on Canada for an even larger crop than last year. Despite what government officials may say, this is in line with general estimates to date. Rust may cut down the crop, but even the government's own reports indicated the condition of the crop to be fully nine per cent. better at the end of June than it was in 1922.

Little importance is attached to reports from the United States to the effect that the farmers of the western states are holding their wheat. By reason of the greatly-extended credits made available to farmers through the action of Congress this year, the holding of wheat is thus made possible across the line to a far greater extent than it used to be. But with a considerable world's surplus, the withholding of even 100,000,000 bushels from the market for a few months will not affect prices very greatly. One result will be to give the Canadian farmers the same chance that they had last year, of getting their wheat to market before their American competitors do so.

Outside of Great Britain, last month the principal buyers of Canadian wheat were: Belgium 2,012,297 bushels, Italy 2,189,721, Greece 1,433,315, Netherlands 823,000, France 776,000, Germany 63,956, Japan 322,000 bushels.

Stores of L. R. Steel May be Closed up

L. R. Steel stores in Canada are stated to have shown a loss of close to $40,000 during April, May, and June despite the fact that expenses were cut to the minimum. They may now be closed down altogether. Reorganization schemes have borne little fruit thus far.

Banks Should Clear the Air

The announcement of an adjustment in the reserves of the Standard Bank to take care of losses because of the agricultural and industrial depression, as that of the Union Bank some weeks ago, indicates that the banks like other business institutions must take risks and face losses. The adjustments have not seriously impaired the soundness of either institution, so long as the future promises success and in that respect there is every ground for confidence. If, under the circumstances, shareholders are inclined to wonder whether greater precautions in administration might not be possible, it is not a matter for wonder and bank directors might well consider this phase of their responsibilities.

There has been in this country a tendency to overlook the fact that bank reserves are really set up for the very purpose in which they have been employed by the Standard and Union banks—in brief to cover losses. In England and many other countries changes in dividend rates and adjustments of reserves are not regarded with alarm if the bank is in a sound and healthy condition. Other banks in Canada have undoubtedly also suffered under the conditions which have recently prevailed. Their position is in many respects a reflection of the position of their customers. If further adjustments have to be made, it is highly advisable that these should not be delayed, but that the air should be cleared as soon as possible.

But, while the readjustments need not be cause for uneasiness and it should be recognized that the banks have their lean and fat years and profits and losses like other business concerns, it may well be that recent events will have their lessons as regards desirable changes in administration. The developments have indicated that the present system throws too much responsibility on the shoulders of one man. In American banks there are a number of vice-presidents who become specialists in various business fields in looking after the bank's interests. Canadian banks are showing a tendency to follow the same policy by increasing the number of assistant general managers. A more general adoption of this policy may be advisable as one method of dividing responsibility so that one man will not be expected to keep in close touch with details of all classes of accounts of a big bank with interests all over the country.

Our Heavy Taxes Are Directing Attention to the National Debt

Election Results in Prince Edward Island as in Ontario Indicate that People Want Governments to Follow a Policy of Retrenchment in Public Spending

From Our Own Correspondent.

OTTAWA.—The indications are that questions relating to debt, expenditure and taxation are receiving a great deal more attention in the country than has until recently been supposed. It is well-known that these were important issues in the recent Ontario elections, while in Prince Edward Island the increase in a certain tax was practically the sole issue. It is also quite generally known that the big business men of the country are agreed that something must be done to keep expenditure, debt and taxation in check.

The increase in the net debt of Canada from $336,000,000 in 1914 to $2,397,000,000, the latest figures, and an increase in debt charges from a little over $12,000,000 to $138,000,000 this year is generally recognized as very rapid travelling, but even these increases, great as they are, do not disclose the true situation. False comparisons are continually being made between the net debt of this country and the gross debt of the United States and Great Britain, the conclusion being that, after all, Canadians, in a comparative sense, are not bearing a great deal more than their neighbors.

Compared With Britain

If the debt of Canada is to be compared with that of the United States and Great Britain, then the gross, and not the net, figures must be used, for the net are usually given by those countries. The latest figures for Great Britain's debt are $38,300,000 000, or nearly $800 per head. The gross debt of Canada is $2,925,000,000, or $330 per head. It is said that Canada has assets in the form of railways, etc., that reduce this to approximately $2,400,000,000. Some of these are of doubtful nature, but, for the purpose of argument, let this be admitted.

Assuming for the purpose of argument that Great Britain has not a single dollar in the form of assets to put against her gross debt, which is certainly a great admission, it must, however, be borne in mind that her debt figures are those for practically all of her governments, outside of Ireland, whereas the figures for our Dominion debt are those for but one government out of ten. This makes a great deal of difference. But it is a factor that is continually being overlooked by writers and speakers on this subject.

Provincial Liabilities

Now the direct liabilities of the Canadian provinces are not less than $650,000,000, or $75 per head. As nothing has been allowed for British assets, then in order that the comparison may be fair, it is but right that the provincial figures should be con-

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St. Louis Paper Thinks Canada's Pulpwood Embargo Justified

ST. LOUIS GLOBE DEMOCRAT.

Anxious examination at Washington reveals no possibility of avoiding, through retaliation, the injurious effects of the new Dominion law under which exports of pulp woods may be prohibited at executive discretion and no other way of avoiding them, save by grace of the Canadian Government. Exports of these woods cut from the public lands of the Dominion were long ago prohibited. Now exports cut from privately owned lands may be made illegal.

But why, in the case of a country with which we have relations of such variety and number as with Canada, have we no opportunities for what might be called amiable retaliation—for changes in our policies that may match changes in Canadian policies and look to an ultimate yielding on both sides? It is because, of course, our Old-Guard tariff-makers exhausted in advance all such opportunities in the field of reciprocal trade and this matter of pulp wood exports belongs in that field. In the so-called emergency act of the late Congress, an act meeting no emergency, and in the fully elaborated Fordney-McCumber act, those tariff-makers devised duties of a truly retaliatory nature when no occasion for retaliation existed, duties as high and higher than any ever authorized in our history, and for the express purpose of imposing burdens on Canadian exports.

While our new tariff schedules were being framed last year, responsible Dominion officials visited Washington in furtherance of communications which had already passed between Ottawa and that city. They urged with earnestness that a chance might be given them to accept the Taft reciprocity act passed in 1911 and still on our statute books. The frosty reception they got might have chilled residents of even more northerly latitudes. They were told flatly that the Old Guard would have none of their reciprocity and the fair trade conditions reciprocity would bring. It may be that rejection will yet appear in the regretted light of a lost national opportunity. To be sure, that same reciprocity act, in the misrepresentations of a popular election campaign, was once rejected as summarily by the Canadian themselves, but between the two lines of customs houses along the border streams much water has run since. Prohibition of the export of pulp woods will not necessarily increase paper prices, though that is possible, but the many paper mills on this side of the line operating with Canadian pulp wood will be deprived of their most valuable source of raw material, whose manufacture will be retained within Canada. Crippled, these mills will be obliged to turn to our own depleted forests, whose depletion has proceeded lately at accelerated rate in consequence of intensive building activity.

"WHISPER OF DEATH" STARTLES NEW YORK

Hot Weather Talk of Montreal Star is Not Helping Canada in States

From Our Own Correspondent

NEW YORK.—The publicity the Montreal Star's "Whisper of Death" editorial and the controversy which has sprung up between the Montreal newspaper and the Toronto Globe regarding the editorial is combining with various reports concerning the position of several Canadian banks to disturb local financial opinion regarding Canada. While, of course, the better-informed members of the New York financial community have known that the financial difficulties of the Dominion were serious, it has never been their practice to discuss the question freely; they have apparently felt that Canada could eventually work her way out of her troubles and that the less said to embarrass her in the meantime the better. However, with the publication of the Star's editorial, the whole question of the stability of the financial structure of the Dominion is again under discussion by hundreds of investors in all parts of the United States and representatives of houses dealing in Canadian securities apparently feel that the discussion is doing Canada's credit in the United States more harm than good.

OTTAWA AFRAID TO ENFORCE EMBARGO

Evident That Premier King Has Not a Determined or Definite Policy

From Our Own Correspondent

OTTAWA.—It may be taken for granted that there will be quite a battle before an embargo is placed on exports of pulpwood cut on privately-owned grounds. Mackenzie King's statement in opening the Forestry Conference that he hoped a better way might be found to effect the preservation of the forests is considered here as official intimation that an embargo is not a near probability. Official opinion is that the government cannot put an embargo into effect for the avowed purpose of hastening the transfer of the newsprint producing industry to this country, and that if it were to do so it would play into the hands of the United States government. If a case can be made out for it on the ground of forest conservation then the rest is easy.

RUST NOW DOING SOME DAMAGE TO WESTERN WHEAT

But the Prospects are Still Good For a Big Wheat Crop

GUESSING THE YIELD

Recent Developments Indicate That Definite Estimates Cannot Yet be Made of the Harvest Results

By E. CORA HIND,
Commercial Editor, Manitoba Free Press.

MOOSEJAW.—Since last Wednesday morning have motored 1,100 miles taking in most of Manitoba, south of the main line of the C. P. R., parts of the Winnipeg to Estevan and the Arcola and Soo lines of that road; in other words, have covered some of the largest wheat-producing areas of the West and find that the splendid promise of the crop two weeks ago has declined though even at that the West still stands to reap one of the biggest crops in her history.

Conditions in the development of the wheat crop carry out what was stated in a previous dispatch, namely, that estimating the wheat crop in July is a mere gamble. It would be equally a gamble to say now that it is very seriously damaged. There is, no doubt, serious damage in some districts, damage which cannot now be recovered, but the wheat fields of the prairies are not confined to one section and there is plenty of chance for the present seeming bad conditions to be recovered from and plenty of good wheat harvested. In the meantime, the gentlemen who have been talking five hundred millions have another guess coming.

Rust in Manitoba

Dealing first with Manitoba, the eastern end of the south half of the province has a very bad dose of black rust, but as a considerable portion of this territory is early and the wheat well advanced, the resulting loss will be less than appears on the surface. In the same areas there is very considerable amount of saw-fly which will prevent heads filling either as fully or as evenly as they would otherwise do. West of a line running from the U. S. boundary through Manitou to about Brandon, rust is much lighter though saw-fly persists to a considerable extent. In all this terri-

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Belgo Will Enlarge Groundwood Output

From Our Own Correspondent

MONTREAL.—It has been decided by the Belgo Canadian Paper Co. to construct two additional groundwood machines at its plant at Shawinigan Falls. This extra pulp capacity is necessary to feed the paper machines which are producing beyond the expectations of the company's officers. The machine that was recently erected was rated at 75 tons per day but is actually producing 96 tons per day and it is anticipated that the next machine to be built will also produce above its rated capacity. This gives the company an additional production of 40 tons per day and the mill with the new equipment will probably produce 400 tons per day instead of the 370 tons or so that have been counted on.

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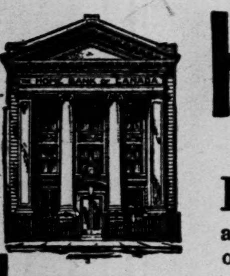

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FORD FUEL PLAN MAY PROVE A BIG THING FOR CANADA

Distillation Experiments are Being Watched Closely

TO USE UP LIGNITE

Scheme May go Far to Make up for the Shortage of Petroleum and Hard Coal in This Country

Henry Ford's promise to "burn coal twice" may soon be an accomplished fact when the new $500,000 distillation plant now under construction at Ford, Ont., is completed in October. THE FINANCIAL POST learns from officials of the plant at Ford, that shortly Canada will have in operation the first commercial realization of the research and development work which was carried on by B. Z. Caracristi, consulting engineer, and Emil Piron, chemical physicist, for the past two years, and which has been verified semi-commercially in laboratories in West Virginia. Benzol, a practical substitute for gasoline, may be obtained from the plant up to 4,800 gals. daily. The by-products recovered by the new process include coke, benzol creosote, sulphate of ammonia, gas, and basic oils.

The technical resources of the Ford Motor Company were placed at the disposal of the inventors. A similar plant to the one at Ford, Ont., is being installed at the River Rouge plant of the Ford Company, of Detroit, but the Canadian plant is receiving preference and will be in operation several months before the River Rouge plant.

Expanding Facilities

The Canadian plant will handle 400 tons of coal per day, but provision has been made to handle 2,400 tons of coal daily, so that additional units up to this capacity can be quickly installed, to keep pace with the plant's requirements.

The number of chemical combinations recoverable from the products of coal distillation is practically limitless. There are commercial limitations, however, and only those elements which are most useful from an economic standpoint will be recovered in the Ford plant. Briefly, they consist of the following: The coke, which will be burned in pulverized form under the power plant boilers. Surplus gas, of which about 4,000 cubic feet will be produced per ton of coal. This will be used in the forging and heat-treating operations required in the preparation of the high-grade steel for Ford cars. Sulphate of ammonia, which is one of the cheapest and most valuable forms of fertilizer known. Creosote, a chemical in great demand as a timber preservative, especially for railway ties. Gasoline and kerosene, of which a maximum of 12 gals. will be recovered per ton of coal, and which contains all the properties of true gasoline and kerosene. Lubricating oils and grease, which will not be taken from the oils remaining after the recovery of gasoline, kerosene and creosote, at this time, but which may be utilized later for burning as ordinary fuel oil.

Making Use of Lignite

The value of the Ford Company's initiative in its development to Canada, is more appreciated when it is considered that the Dominion has perhaps the greatest tonnage of lignite of any country in the world; large deposits of peat, and an appreciable amount of bituminous coal, but is without sufficient high-grade coal to meet its domestic demands. Its supply of petroleum from which to derive gasoline and other petroleum products is limited. All of these factors at present result in the necessity for sending out of Canada a great amount of wealth to meet the necessities of modern existence. The eyes of the world will shortly be turned in the direction of Ford, Ont., to see what measure of success will be met in the coal distillation plant. The possibilities of the plant are vast. Will the future farmers of Canada fertilize the soil with a by-product of coal consumed in city factories? Will the motorist of the future operate his auto with fuel and lubricating oil which is another by-product from the same base? Will the factory of the future be designed to operate in conjunction with a new type of power-producing plant, where coal will be made to produce not only heat units but a wide variety of other products? The plant at Ford, Ont., will shortly supply the answer.—A. F.

Western Trade Dull Awaiting New Crops

CALGARY.—During fair week there was a very satisfactory boom in retail business reported by the local merchants. Since then, however, business has fallen to a low point and is expected to remain quiet until the results of the harvest are known.

Building and other activities are not very bright, with the exception of the Imperial Oil Company's project at Odgen, where every effort is being strained to get the project through before the harvest demand for workers. About a thousand men are being employed.

Russian Grain to be Handled Through Germany

NEW YORK.—Your correspondent is told in local grain circles that the Russian government has established a grain distributing station in Hamburg, Germany. All Russian export grain trade will be handled through this point.

Soviet Propaganda is Cleverly Planned

DES MOINES.—Saying Senator Smith W. Brookhart of Iowa is delivering to America the message the Communists of Russia gave him to deliver, Alexander Schwatz, formerly a colonel in the old Czarist army, challenged the Senator to a debate on recognition of the Lenine-Trotzky government.

Mr. Brookhart is a victim of the "interpreters" of Russia who are hired to look after distinguished visitors, Mr. Schwatz says. "When a man of the United States Senatorship calibre arrives at the Russian border he is spotted. He is not allowed to see or hear anything except that which Lenine and Trotzky would have him see and hear."

Mr. Schwartz says Soviet Russia, instead of having the "second best government in the world," has worse than none.

Householders Told To Get in Coal Supply

The Railway Association of Canada is out with a warning to Canadian householders to get in their coal supply early. Reference is made to the threat of another strike in the American anthracite mines. Possible car shortage is also mentioned. "Summer never yet fooled a squirrel, don't let it fool you," concludes the bulletin. "The squirrel that starts to gather nuts in January has a poor prospec ahead of him."

Internal Business Statistics An Aid to Increased Profits

Information to be Obtained From the Use of Control Records and a Comparison of Actual Results With Standards

By NOEL M. BASSIN, B.Sc., C.E.
Consulting Engineer and Accountant.

The question of increasing profits is one which not a few industrial executives and business men have continually in their minds these days, and it must be a difficult question to answer in many cases or it would not be the cause of so much intense thought directed towards a solution. The obvious answer is threefold, and the situation must be remedied by increasing sales or turnover, by obtaining a higher selling price or by reducing manufacturing and distribution costs. To find out in which direction the most profitable results can be obtained it is necesseary to make an analysis and examination of actual conditions and to organize a routine for bringing to light periodically the salient facts required for sound and efficient management.

Analysis of Sales Records

Where selling prices are determined largely by competition and thereby beyond the control of the individual company, the situation has to be accepted and increased profits can not be looked for in this direction. The matter of increasing sales or reducing costs, however, can be brought under more direct control, and the extent and value of this control is dependent upon the amount of reliable information that is obtainable with regard to them.

Many companies have found that their sales records are a source of much useful data and an adequate analysis of these records has been productive of vital knowledge of the relative value of different territories, of the performances of individual salesmen, of the volume of goods sold by lines or by departments and of the amount of sales classified by customers. By establishing sales standards or quotas on the basis of past records supplemented by information obtained from thorough analysis of all available markets, it should be possible to maintain a continuous and accurate measurement of the efficiency of sales effort. It is a natural step, when the measurement of results is available, to follow this up by eliminating inefficiency and ill-directed energy and by directing effort into the more profitable channels. In the sales records of many a company is lying buried a wealth of statistical data which if constantly dug up and examined will prove a veritable mine of information.

Knowledge of Costs Vital

While well-directed sales activity based on a sound knowledge of market possibilities should result in a proportionate increase in profits, the reduction of manufacturing and distribution costs and the elimination of wastage and inefficiency in the expense of production and selling is equally important. In order that this may be done with intelligence it is essential to know with accuracy what the costs actually are. Many firms believe that they know their costs when they have only estimates or, at best, incomplete or partial costs. Figures are not available to show what percentage of Canadian manufacturers have an accurate knowledge of their costs, but the situation is no doubt similar to that obtaining in the United States, where it has been found by Government investigation that out of 250,000 manufacturing concerns not more than 5 per cent. have a knowledge of their actual costs, while over 50 per cent. operate without profit. This indicates a serious condition which businesses conducted without accurate internal statistics will find it essential to remedy if they are to remain on the effective list. They must know their costs. They must know in dollars and cents which sections of their business are profitable and which are being handled at a loss. They must have a means of locating inefficiencies and leakages of profits. They must know their position not once a year but from month to month and from day to day. A temporary increase in expense may possibly have to be made in some cases in order that a suitable routine may be set up for obtaining the knowledge required, but this should be very quickly offset by the elimination of wastage that will result from a proper measurement of costs and efficiency and a more effective managerial control.

One of the chief difficulties in obtaining reliable costs is in the distribution of overhead expense, but this is only a matter of correct analysis and proper application to the product. The cost of manufacture of an article is a definite amount. It is the sum of the material, labor and other expenses of production, and it should be possible to determine the third component of cost with accuracy just as it is possible to obtain the other two components. Distribution costs, which include the expense of selling and administration, should also be properly analysed and brought under adequate control.

Cost Control Records

The tendency in modern cost engineering and accounting is to establish standards with which actual current costs can be compared, and if the standards are established in a scientific basis the resultant comparisons obtainable form a very accurate measurement of efficiency in the use of materials, labor and various items of miscellaneous expense. Control reports can be compiled daily, weekly or monthly as required, wastages can be quickly located and action can be taken without delay to prevent further losses occurring. In the earlier days of industrial development it was possible for the owner or his superintendent to exercise personal control over all operations, but with the increase in size and complexity of an individual manufacturing business it has become necessary to replace personal supervision with a form of control by records which will assist the executive in acquiring an accurate knowledge of conditions throughout the business and in enabling him to make right decisions in outlining future policies and actions. Statistical and cost control records are the instruments by means of which internal conditions and tendencies are indicated, and their value depends on the suitability of their design and their sensitiveness to changes and variations not otherwise discernible.

BUILDING IS STILL IN GOOD VOLUME

MacLean Reports Indicate That Year to Date has Shown Considerable Increase

Construction continues active throughout Ontario and Quebec. British Columbia holds up well but conditions are quiet on the Prairies and in the Maritimes. Taking the country as a whole, contracts awarded during the first seven months of 1923, according to MacLean Building Reports Limited, increased 23 per cent. and amounted to $196,165,700, compared with $159,146,200, during the same period of last year.

During July, construction contracts awarded in Canada amounted to $30,842,500, compared with $26,694,200, a year ago. Residential building accounted for 30.5 per cent. of the July total, and amounted to $9,402,300. Business building amounted to $9,272,600, or 30.1 per cent.; industrial building, $1,514,500, or 4.9 per cent.; public works and utilities, $10,653,100, or 34.5 per cent. The value of contemplated new work reported during July was $36,503,200.

Contracts awarded in the various provinces during July are as follows:

Provinces	No. of Projects	Value
Ontario	1247	$15,436,500
Quebec	171	9,704,300
British Columbia	133	2,274,200
Manitoba	171	1,219,000
Saskatchewan . .	118	787,800
Nova Scotia	40	610,900
Alberta	52	484,300
New Brunswick .	25	325,500
Ttl. for Dominion	2257	$30,842,500

FARM WORKERS WANT ALL YEAR POSITIONS

Scotch Hands Brought to Alberta on Favorable Terms by Live Stock Farmer

From Our Own Correspondent

CALGARY.—George Lane has just recently, through the C. P. R. colonization department, brought out from Scotland fifteen brawny Scotch farmers. It is understood that the arrangement is that he will keep them employed all the year round, the first year at a wage of $40 a month and board. This would seem to be a very fine proposition and if there were other farmers in a position to offer work all the year round it would go a long way towards solving the harvest help problem which is so serious this year.

The labor situation is such that the large farmers and grain growers are going out of big scale farming as rapidly as is possible to make the necessary changes. The high prices of grain a few years ago made it possible to operate large farms with all the extravagances incident to such farming, but now the game has changed and the cost is getting to be more than the return. In some cases if the owner of these large farms are not successful in disposing of their holdings it is inevitable that large areas will be allowed to go wild, with weed growth entailing a serious menace.

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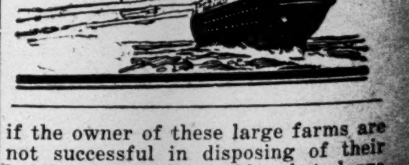

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NOVA SCOTIA'S FARM WEALTH

Halifax—Figures compiled by the Dominion Bureau of Statistics show that the value of farm property in Nova Scotia has increased by 18 per cent. in the ten years from 1911 to 1921. The value of farm property in Nova Scotia in 1921 was $136,841,593, as against $115,974,892 in 1911. Farm acreage was 4,723,550 in 1921, as against 5,260,455 acres in 1911, and 5,080,901 acres in 1901.

VOLUNTARY POOL TO BE TRIED IN SASKATCHEWAN

Idea is to Reduce the Costs of Marketing Wheat

ON SOUND BASIS

The Plan Does Not Involve Use of the Public Credit to Force up the Price to the Consumer

From Our Own Correspondent

REGINA.—The Saskatchewan Grain Growers' Association has signified its intention of organizing a voluntary pool system at once:

First, to establish small contract pools at rural points in the province for the collection of grain.

Second, to organize a central marketing agency to dispose of wheat collected through the pools.

THE FINANCIAL POST is informed that the Saskatchewan voluntary pool will include the following points:

1. Competitive handling of pooled grain by all elevator companies.
2. Request for governmental assistance in the initial financing.
3. Use of contract forms which give participants in the pool greater liberty of action than was the case either under a national, compulsory pool, or under any proposal subsequently broached up to the present.

Hon. J. A. Maharg, president of the association and formerly Saskatchewan minister of agriculture, is at the head of a committee now drafting details which will form the basis of operation. Unlike nationalized grain marketing, there is no suggestion of communism and no attempt to boost a price at the expense of the consuming public.

One closely in touch with the negotiations proceeding in this regard, gave THE FINANCIAL POST an inkling of what the voluntary pool, a applied to Saskatchewan, would mean.

Advantages of Plan

First, it is contended, the success of the scheme is not necessarily dependent upon a large number of participants. Several farmers, banding together to ship a carload of wheat, obtain at once the advantage of a track price. Shipping individually, they receive the street price only.

Second, the problem of finance need not necessarily be difficult. Once grain was in the hands of those operating the pool; available for sale, and properly hedged in the futures market, the certificates issued to the producer could be used to secure cash advances, while the storage receipts became valuable collateral, which any bank would accept. Hedging, on the same plan adopted by a soundly-conducted elevator, and shipping companies of the West, at the present time, would be essential to the new proposal as—particularly in the present year—fluctuations of the grain market would have to be carefully guarded against.

It is felt, THE POST'S informants stated, that the pool must be very elastic with respect to its contract provisions, giving the farmer all the liberty of action possible in the disposal of the grain he produces. It was probable that arrangements would be made at rural points whereby farmers delivering grain by the wagon load, and who were dissatisfied with the reigning price of the day, would be enabled to turn grain into the local pool, obtaining in exchange a grain certificate. Receipt of the grain would be wired to the pooling heads, when provision for a hedge could be made. The certificate received by the farmer could be hypothecated at the bank, cashed with the elevator company, or held until the returns from the pool were completed.

Difficulties Disposed Of

But the greatest recommendation of this newest proposal to get the farmer more for his grain appears to lie in the fact that no participant will sacrifice the geographical advantages which he possesses in contiguity to rail service, or terminal elevators, or both. In former wheat-pooling schemes—both compulsory and voluntary—the fact that farmers, whose land was more valuable, and whose crops were worth more by reason of the geographical location of their farms, would have to sacrifice something by co-operating, seemed an insuperable difficulty. Small local pools on the producers' end appear to solve this, while a central marketing agency has control, at the same time, of a large volume of grain collected. Sufficient volume, according to the ratio of co-operation, to be able to deal on basis of grade and quantity with large concerns direct.

It is recognized that little can be done by such a pool in selling wheat externally this year, but it is claimed the pool will be a factor in dealing with exporters.

The contention of the S. G. G. A. is that not only the best possible prevailing price will be received for wheat handled through the pool, but that considerable middleman's costs will be saved to the farmer.

The Farm Union of Canada plan, which involves the hiring of Aaron Sapairo, U. S. expert, at an enormous salary, might be worthy of consideration if coming from a better-known source. But the "union" which has just sprung into being is alleged to have a strong taint, in its membership, of the radicals—those who are constantly "gumming up" the progress of legitimate industry.

U. S. Government Wins Before Privy Council

BRANTFORD.—The Privy Council has decided against the Motor Trucks Company, Brantford, and in favor of the United States government in the appeal which had come before their Lordships, they upheld the judgment of Mr. Justice Kelly, who held that the ownership of the large plant, situated on Murrat Street, was vested in the United States Government. An appeal was taken to the Supreme Court of Canada and the members of that body, with one dissentient voice, held that the ownership rested with the Motor Trucks. It was then that an appeal was taken on behalf of the United States Government to the Privy Council, with the results just announced. It was in connection with this case that City Solicitor Henderson took his trip to England and that Solicitor-General James Beck, as legal representative on behalf of the United States, has appeared before the highest court in the British Empire. The works in the first place were constructed for munition purposes and the United States advanced some $900,000 on the basis of security.

Sapiro Answers Eight Questions

Famous California Authority on Co-operative Marketing of Farm Products Answers Questions Asked by American Farm Papers

Aaron Sapiro, the man who organized the California fruit growers, is being brought to Western Canada to solve the wheat marketing problem. Farmers' welfare enthusiasts and publicity-seeking newspapers are organizing the visit, with the idea seemingly that Sapiro is possessed of some magic method of solving the West's troubles. Sapiro is a practical man. He believes that something can be done by co-operative marketing. And something may be accomplished in reducing marketing expenses if the grain growers enter into the project in the proper spirit. But we doubt if from his experience he will tell the Westerners that they can, by holding their wheat or any other method, materially alter the prices for wheat established in the world markets with all grain growing countries competing. Sapiro's answers to eight questions regarding the marketing of farm products follow:

First question:—Just how can the grain and livestock farmers expect to combine successfully so as to influence world crop prices?

Sapiro's answer:—Grain and livestock farmers can organize co-operative marketing associations just as well as the growers of prunes, or raisins, or cotton, or oranges.

Where farmers sell individually, they dump. Where they sell through commodity co-operative associations, they merchandise. You can merchandise a commodity even if you control only three or four per cent. of the American supply.

We merchandise eggs through the poultry producers of central California, and are getting wonderful results for these poultry producers, although all California produces less than five per cent. of the eggs of the United States.

We merchandise strawberries from central California through an association that handles less than three per cent. of the strawberries of the United States. We are shipping pre-cooled strawberries straight into New York city and getting a higher net prices for our berries from Chicago to New York city than even the strawberry growers in Kentucky and sections two thousand miles nearer to these great markets can get.

The matter of merchandising does not depend upon control or monopoly. It depends solely upon getting a group viewpoint on the group problem of marketing. If you have over 50 per cent. of the annual production of any crop, you can act as a dominant factor in the market, and can do much better than if you merchandise only 20 per cent. of the crop. But you can accomplish real results by co-operative selling even if it involves less than five per cent. of the total American production of that commodity.

It has been pointed out that it is easier to organize the tobacco industry than to organize the wheat industry. From one standpoint this is correct: the wheat of the United States is only about one-fourth of the wheat of the world; whereas in certain types of tobacco the American production is dominant.

Nevertheless, six surplus exporting countries dominate the world's wheat markets: Canada, United States, Australia, Argentina, India, and Russia (in normal times). Of these, Canada and the United States are exporting the greatest quantities.

Stabilize World Price

If the wheat growers were organized so that they could dominate the merchandising pool of American wheat alone, it would be the largest single factor in stabilizing the wheat prices of the world.

If, in addition, American wheat growers would create a joint agency for the sale of the exportable surplus, together with Canada and Australia, and perhaps Argentina, there would be unquestionable stabilization of the world wheat price, and both the farmer and the consumer would be saved from the wheat speculators in Liverpool and Chicago.

I firmly believe that there will be international co-operative marketing associations organized for the purpose of the joint sale of exportable surpluses.

We do not even have to go that far.

If growers are organized, it enables them as an organization to adjust their operations to the law of supply and demand, and to reap for themselves some of the natural economic results of fluctuations in the quantity production of crops.

For example, the unorganized cotton growers, to the extent of more than 80 per cent., sold their cotton in the fall of 1922, and averaged approximately 20 cents a pound. Even at that time the inherent value of cotton was at least five cents a pound more; but the unorganized grower had no conception of the absorbing power of markets, and had no means, as an individual, to secure such farm credits as would enable him to do orderly marketing.

But the co-operative associations, organized on this commodity plan, merchandised the cotton delivered to them. They made small sales in the fall, so as not to break down an already ridiculously low market. Then they borrowed money to the extent of almost $100,000.000, at rates averaging less than five and one-half per cent., and distributed the money among their growers so as to enable them to pay their crop liens and store accounts.

The cotton associations then sold—and they sold skilfully on a steadily rising market. The lowest of these co-operatives will average about 25 cents a pound, and some even higher.

The Reward of Organization

The grower members of the co-operatives will probably average from $20 to $35 a bale net return greater than the unorganized growers. This is not because they were wiser than the unorganized growers, but solely because the co-operative marketing associations, through orderly marketing, enabled their members to take advantage of the operation of the law of supply and demand and to get for themselves part of the inevitably higher prices for cotton.

The cotton that the average unorganized grower dumped in the fall was not resold at that time—much of it is still in the hands of the cotton merchants and speculators. These men will eventually resell it at high prices, and will legitimately gain that difference.

Supply and demand makes the price, but the individual grower is unable to benefit by it—except as he goes in with his fellow growers and organizes for orderly marketing.

This principle is absolutely the same with both grain and livestock. Livestock will be harder than any other commodity to organize, because you have there the combination of a commodity being produced at the same time that it is in the process of marketing.

With cotton, when once the crop is harvested and ginned the period of production is over. Not so with things that walk on four legs.

Then, in one sense, livestock is a perishable product, although it can be converted into some relatively perishable products and some relatively non-perishable products. The handling of any perishable product is harder than the handling of non-perishable products. With perishables it is a problem of routing and controlling the supply that moves into any particular market. With non-perishables, storage and finance and slow selling help to control that supply.

Above all things, no co-operative

(Continued on page 15)

GET 8,000,000 H. P. FROM TWO RIVERS

Engineer Broadcasts Plans For St. Lawrence and Niagara River Power Development

From Our Own Correspondent

MONTREAL.—The St. Lawrence and Niagara Rivers got on the radio this week when T. Kennard Thompson, the eminent Canadian-trained consulting engineer, broadcasted from New York some details of his scheme for damming the St. Lawrence at Lachine Rapids and for creating a "Niagara, Jr.," by damming the Niagara. Mr. Thompson also discussed the canalization of the St. Lawrence, a project he favored.

Mr. Thompson's project at Lachine would be the first step, he claims, in developing the St. Lawrence. He would construct a dam at Lachine Rapids, at Isle Heron, with a 50-foot lift. It might be pointed out that the Montreal Light, Heat and Power Company now has a power house using a portion of the flow of the St. Lawrence at Lachine Rapids. The lift or lock at this point would raise vessels from the Montreal level, which is 24 feet above tide, to the Lake St. Louis level, which is 74 feet above tide. The project, so Mr. Thompson says, would furnish aid to navigation, would supply a million and a half water power and add ten square miles for a most valuable manufacturing site for the city of Montreal.

Niagara Falls, Jr., would cost $100,000,000, involving the damming of the Niagara River. Two million horse power per year would be created at an initial cost of $50 per year, "the cheapest horsepower in America."

Mr. Thompson claims that the St. Lawrence and the Niagara between them can be made to produce 8,000,000 horse power, which would furnish work for 8,000,000 men in the United States and Canada, and providing the equivalent of 80,000,000 tons of coal per annum. Power from either system could be transmitted for distances of 500 miles in every direction. The total cost of both developments, including canalization for ocean boats, would be one billion dollars.

Mr. Thompson is the engineer who planned the much discussed extension of Manhattan Island into New York harbor to add many millions of dollars worth of valuable land to the overcrowded business section of New York City.

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News and Views for Investors

MOUNT ROYAL HOTEL

An average of about 1,500 guests are being entertained daily by the Mount Royal Hotel, which is very close to capacity. This is the big season for the hotels, especially a hotel like the Mount Royal with its location ensuring a strong tourist appeal. Earlier in the year accommodation was far from taxed.

QUEBEC POWER

The new interests in control of the public utilities of Quebec city are losing no time in improving the service. Already three quarters of a million dollars had been advanced to Quebec railway. Ten new street cars will be in service in the Ancient Capital within two months and three new locomotives will be installed on the St. Anne line.

BLACK LAKE ASBESTOS

It is understood that discussions are under way looking to a merger of some of the asbestos companies. Two that are mentioned as likely to be joined together are Black Lake Asbestos and Asbestos Mines which are both controlled by J. A. Jacobs of Montreal and it is possible that other companies might be bought in.

NELSON'S FINANCES

That the city council of Nelson, B.C., has been keeping within its estimates and that the civic revenue is being well maintained is indicated by a statement of receipt and disbursements for the first six months of the year.

The total receipts were $167,191.89 and the total disbursements $164,549.26, leaving a balance of $2,642.63 on hand at the end of June.

LA BANQUE PROVINCIALE

The annual report of La Banque Provincial for the year ended June 30, 1923 would ordinarily be coming out shortly. But the bank has decided to move the end of its fiscal year to November 30 and instead of issuing the usual twelve months' statement will issue a report for the seventeen months up to November 30 next. The annual meeting date has been moved from August to the first week in February.

CANADIAN CONVERTERS

The stock of Canadian Converters, one of the interesting units in the Canadian textile industry, is selling at around 88 which is a full fifteen points below the high of the year. At this price it yields the investor 8 per cent. for the dividend rate is 7 per cent. per annum. While the annual report was not as excellent as the company's increased turnover had led investors to expect, the company is nevertheless earning on a satisfactory basis.

PRICE BROTHERS

Progress is being make on the construction of the 200 ton per day addition to the Kenogami newsprint mill of Price Brothers. This will bring the daily output of the company to 500 tons of newsprint and eventually it is planned to increase this until 1,000 tons of newsprint per day is being developed. With this in mind the recent bond issue of $10,000,000 was made on a mortgage that provides for the issuance of an amount up to $25,000,000 of bonds.

CHICOUTIMI PULP

Higher prices for groundwood would be of substantial benefit to Chicoutimi Pulp Company for while the largest part of its production is marketed on a long term contract with British interests that provides for a fixed profit over and above costs there is a small surplus when the mill is operating at full capacity that is sold in the open market. Chicoutimi is doing well now but its larger production only compensates for the decreased output earlier in the year when water troubles were bothersome.

STANDARD BANK

The adjustment in the affairs of the Standard Bank announced on Tuesday, had evidently been fully discounted by the market in advance, as is usually the case. In fact, a tendency to recover was in evidence as a reflection of confidence in the bank's ability to readily maintain a dividend distribution at the newly-established rate of 12 per cent. The stock was selling around 200 mid-July and at 206 at the first of the month. The high for the year was 212½ in March compared with 204 at the first of January.

TWIN CITY HALF YEAR

Net income of the Twin City Rapid Transit Co. for the month of June shows a decline from June, 1922, standing at $104,361, as compared with $125,531. Gross is slightly lower at $1,087,673, against $1,109,995. For the second quarter of the current year the net is slightly higher at $437,870, against $431,671, an increase of 1.44 per cent. For the first half of the year substantial improvement is shown, net at $929,074 comparing with $793,869, an increase of 17.03 per cent.

The market for the common stock has eased to around 70 recently as compared with 60 at the first of the year and a high point fractionally above 80 about the middle of June.

DULUTH-SUPERIOR

The Duluth-Superior Traction Company reports gross earnings for the second quarter of the current year amounting to $468,696 compared with $426,799 for the corresponding period in 1922, an increase of 9.82 per cent. Net income at $26,468 compared with $19,459, an increase of 36.01 per cent. For the first six months of the year gross at $958,748 compared with $863,128, an increase of 11.08 per cent., while net income at $49,567 compared with $12,824, an increase of 286.51 per cent.

BANK OE HAMILTON

A marked advance in the shares of the Bank of Hamilton on Tuesday to 164 indicated a recovery of about 14 points from the low of last week and practically all of the decline of the past month. The announcement in connection with the Standard Bank no doubt helped clear the air in regard to other bank stocks including the Hamilton. The general feeling of uncertainty in investment circles regarding the bank stocks, in view of the general depression and the hostility displayed at the inquiry into the Bank Act, has been evident in recent trading and perhaps affected Hamilton more than others because shareholders have received 20,000 shares in the past few years at $150.

MASSEY-HARRIS PRODUCTS

The eyes of the metal-working industry are focused on the farming communities, both West and East. Discussing the situation with Canadian Machinery, J. N. Shenstone, vice-president of the Massey-Harris Company, the world's largest manufacturers of farm implements, stated that he anticipated a fair demand.

"There is a magnificent crop in prospect at present and if nothing happens to destroy it, the farmers will have to make large purchases of machinery," said Mr. Shenstone. "Business for the first half of the year was up to the average of recent years, but, of course, could not be compared to the business of pre-war years, on account of the high level of machinery costs and the low level of farm produce prices. However, we are anticipating, at the present time, a fair demand. The next thirty days will tell the story in our business."

UNLISTED SECURITIES

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Canada Mortgage	64	..
Can. Westinghouse, com.	128	132
Can. Machinery, pfd.	..	40
Can. Marconi Wireless	1.20	1.60
Cockshutt Plow, 7% pfd.	40	43
Can. Oil Companies, pfd.	95	98
Do., com.	..	53
Commercial Finance, pfd.	70	76
Cosgrave Breweries	5½	8
Continental Life	105	..
English Electric, com.	..	13
Do., pfd.	..	72
Dom. Power & Trans., pfd.	93	97
Do., com.	40	42½
Dunlop Tire, 7% pfd.	85	87
Dominion Linens, pfd.	70	..
Excelsior Life	31½	..
Farmers' Dairy	50	..
Fam. Play. 7% p. 50% c.	..	78
Gunns, Ltd., 6% pfd.	..	35
Great West Life	214	..
Durant Motors	8	9
Dominion Mfg., pfd.	58	..
Inter. Milling Co., pfd.	96	98
K. & S. Tire, 7% p. 25% c.	30	34
La Paz Oil	..	50c
Lambton Golf Club	450	500
London Loan	46	51
Loew's Toronto, pfd.	58	62
Do., com.	27	32
Loew's London, pfd.	4	5
Do., com.	1½	2
Massey-Harris Co.	48	52
Manufacturers' Life 20%	52	..
Mortgage Discount Units	..	11
National Brick, pfd.	55	57
Do., com.	12	14
National Life $25 paid	50¼	..
Northern Can. Power, com.	50	..
Ontario Equitable Life	..	30¼
People's Loan	58	62
Pantages, Hamilton 7% p.	30	34
Do., com.	..	3
Robertson P. L. Co.	25	35
Rolph Clark Stone, com.	15	..
Simpson, Robert, 6% pfd.	91	93
Sovereign Life	18	..
Sun Life Assurance	140	..
Toronto Brick, Co. pfd.	75	..
Trust & Guarantee	77	78
Tiger Tire Units (1 pfd. 2 com.)	..	20
Western Grocers, 7% pfd.	..	50
Whalen P. & P. Co., pfd.	16	19
Brit. Amer. Assurance	6	7
Alta. Pac. Grain 7% pfd.	93	95
Do., com.	105	112
Collingwood Shipbldg. com.	50	57
Abbey Salts	27	..
Imperial Tobacco, com.	5¼	6
Sterling Coal, com.	38	..
Dryden Paper	15	..
Eastern Engineering	..	24
Frontenac Breweries	..	52
Laurentide Power	97¼	..
Manitoba Power, com.	25⅛	..
Provincial Bank	..	120
Saguenay Pulp, pref.	..	1¼

STOCK SELLING CONTINUED IN A QUIET MARKET

The General Tendency Was Again to Lower Levels

SENTIMENT UPSET

A Number of Factors Have Tended to Discourage Buying at a Season When Public is Little Interested

Continued uncertainty has marked the investment situation during the week. The Standard Bank announcement, the European situation, the reports of rust in Western Canada, the trend in New York, and other factors, have tended to offset reports of improved business prospects for the fall season and selling has carried the prices of a number of securities to lower levels. The losses were more general than the gains, as indicated by the following summary:

Group	Total	Gain	Loss	Uncgd.
Paper	12	1	10	1
Industrial	16	5	9	2
Specialties	13	3	6	4
Traction	9	—	8	1
Utilities	13	2	7	4
Steel	8	3	5	—
Textile	9	6	1	2
Milling	4	—	3	1
Banks	10	2	7	1
	94	22	56	16

For a continued decline the disturbing factors in the situation are advanced while more favorable sentiment is encouraged by the reports of the financial institutions, the crop prospects, the money situation and the indications that there is no oversupply of goods or commodities. Then, too, the season is one when the professional element is usually dominant, public interest not being looked for until about the first of September.

TORONTO.—The upturn of last week, for which New York provided leadership, was not continued and with the turn in sentiment there has been a renewal of realizing and in a number of cases new lows for the present phase of the market have been recorded.

General conditions are reported as fairly satisfactory with prospects of improvement if the harvest results in fair profits to the farmer. But for the time being there is a hesitancy in placing orders and buying generally is on a hand-to-mouth basis. The bearish sentiment provided by Wall Street has proven a stronger influence than the crop news so far as the speculative element is concerned.

In the bond market the demand for the government railway issue has indicated investment reserves of encouraging volume. It has been indicated by the buying that the effect of taxation, legislation and generally unsettled conditions has been to make many investors timid of anything but the most conservative securities, and the government guarantee has proven attractive at a time when ordinary risks of business are greatly increased by conditions.

The mining market has followed the general trend. Of course, it must be remembered that various factors which have led to selling have not encountered any broad buying demand such as is necessary to give buoyancy to a list on which speculation has such an important influence.

MONTREAL.—There is still much dullness and uncertainty in the stock market, and, while greater confidence is felt than for some time past, the most cautious advisers are warning against indiscriminate investing. There are certain classes of securities, it is pointed out, that offer better opportunities now than others. Pulp and paper stocks, because of the present prosperity of the business and the assured future it has, are favored by observers. Public utility investments are also considered as likely to be less affected by more restricted business activity than some other stocks. The mining securities are a centre of attraction. Outside of these three fields there is not any indication of immediate returning activity. The textiles and the milling stocks have been disappointing, the first seeming to be reacting from the high levels reached in the winter and spring when "splits" and mergers were being discussed. The milling stocks indicate the more difficult export conditions facing the companies.

CONSOLIDATED SMELTERS

Ore receipts at Trail Smelter, reported by the Consolidated Mining & Smelting Company, from July 15 to July 21, inclusive, amounted to 8,875 tons. From January 1, to July 21, the receipts were 258,346 tons.

HOLLINGER'S PLANS

According to a despatch from Timmins, Ont., plans of the Hollinger Company are to carry work to a depth of over a mile, employing upwards of 3,000 men and 15,000 hydro-electric horsepower. An output of from $15,000,000 to $20,000,000 a year is pretty well assured. The company will spend about $4,000,000 on power development, the surplus for this being already on hand.

TWIN CITY

Net income of the Twin City Rapid Transit Company for the month of June at $104,351 compared with $125,531 for the same month in 1922. Gross for the second quarter of the current year at $3,404,819, compared with $3,404,896 for the same period in 1922. Net income for the second quarter was slightly higher at $437,870, against $431,671, an increase of 1.44 per cent. Gross for the first half of the year at $7,045,975 showed an increase of $47,371, and net at $929,074 compared with $793,869.

Old Stockholders of Quebec Power Get 10% Bonus

From Our Own Correspondent

MONTREAL. — Common stockholders of the Quebec Power Company, formerly the Public Service Corporation of Quebec, stand to benefit in the long run from the changes in that company's affairs that were necessary to effect with it the amalgamation of the Quebec Railway properties. But the changes have upset the basis of their holdings somewhat and postpones dividend payments to them for a short while and on this account the directors of the company have declared a stock dividend of 10 per cent. payable in the preferred stock of the company.

The dividend is payable on the common shares of the old company, the holders of which have been receiving dividends of five per cent. up to the present.

DARK OUTLOOK FOR LOEW'S METROPOLITAN

Company Sold Preferred Stock In Theatre That Was Not Owned

From Our Own Correspondent

MONTREAL.—How injudicious and unsound a stock offering can be, is shown in the experience of Loew's Metropolitan. Shareholders are now receiving a letter from the company outlining its present position. The letter indicates that no purchaser has yet been found for the property. The prospects for any return to the shareholders are small.

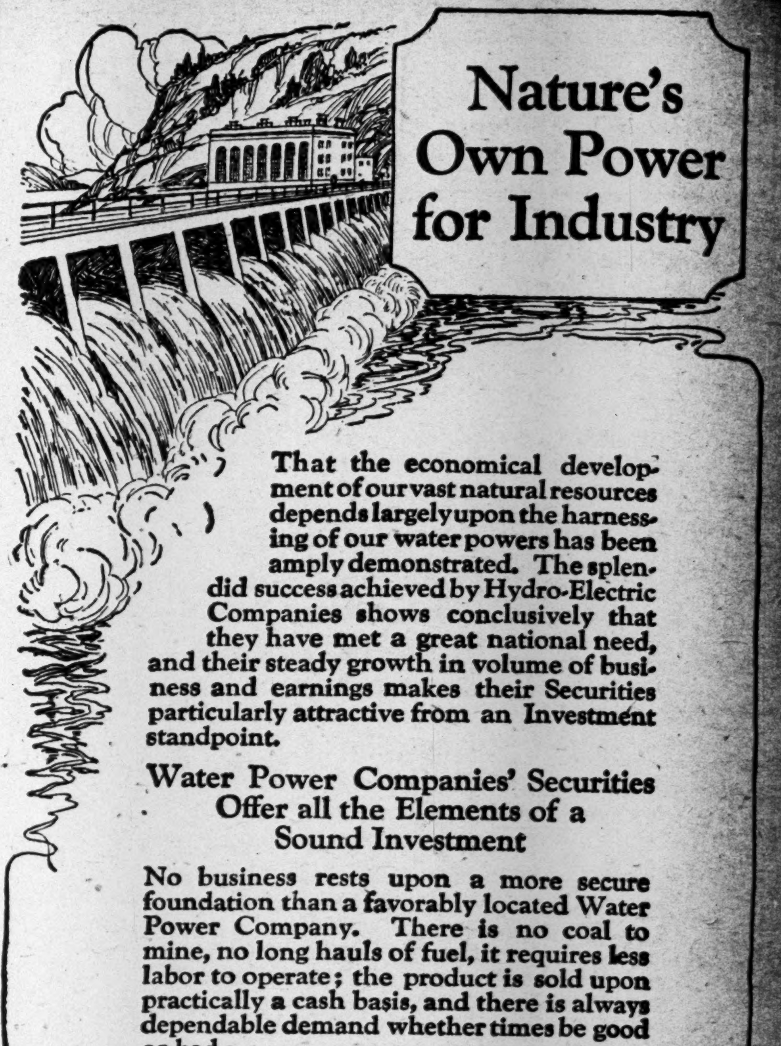
The company was incorporated in 1919 to acquire a theatre in Montreal. The theatre was bought for $300,000 on an instalment plan, $10,000 being paid in cash and yearly payments of $10,000 each being arranged. The agreement of sale contained a clause that if the payments were defaulted the property would revert to the original owner. On the basis of this agreement preferred stock, to a total of nearly $400,000, has been sold to pay for extensions.

It was originally planned to sell $150,000, and this was disposed of in 1919 to finance alterations. In 1920 an additional $100,000 was sold and later a third block of $160,000, although the original issue of $150,000 had been intended to complete the entire work.

Finally in 1921 the theatre was opened. Bookings were arranged with Loew's booking agency, a proposal to consolidate the enterprise with other Loew's theatres under the name of Loew's Canada Theatres, having fallen through.

From the outset the theatre lost money, and before a year was out the Loew bookings were cancelled and the theatre temporarily leased on terms that did not bring in any substantial revenue.

The company is greatly in default on its payments on the theatre, but arrangements were made under which the property does not revert to the original owner, but the latter operates it temporarily. Loew's Metropolitan has the option of redeeming the property by paying overdue instalments, but no funds are in sight for this.



Nature's Own Power for Industry

That the economical development of our vast natural resources depends largely upon the harnessing of our water powers has been amply demonstrated. The splendid success achieved by Hydro-Electric Companies shows conclusively that they have met a great national need, and their steady growth in volume of business and earnings makes their Securities particularly attractive from an Investment standpoint.

Water Power Companies' Securities Offer all the Elements of a Sound Investment

No business rests upon a more secure foundation than a favorably located Water Power Company. There is no coal to mine, no long hauls of fuel, it requires less labor to operate; the product is sold upon practically a cash basis, and there is always dependable demand whether times be good or bad.

We have prepared an interesting Booklet on Hydro-Electric Securities. A copy will be mailed on request.

NESBITT, THOMSON & COMPANY
LIMITED

305-7 Bank of Hamilton Bldg., TORONTO
MONTREAL HAMILTON LONDON, ONT. WINNIPEG
251

Read What An Agency Man Has To Say—

A leading Canadian manufacturer has just shown us a letter which he received from one of the best known Advertising Agency men in Canada.

The letter reads in part as follows:

"For some time I have believed that the advertisements in Technical and Trade papers had as much, if not more, reader interest than the editorial matter in the paper. I do not intend this as a reflection in any way on the character of editorial matter that appears in trade papers, but rather the belief that men engaged in business feel obliged to keep abreast of the times by reading the advertisements which apply to the particular line of business in which they are engaged.

"Referring to Annual Spring and Fall Numbers of trade papers, I have seen these Feature Numbers in merchants' offices months after the date of issue, and the only reason I could see for their being there was that the merchant wanted them so that he might refer to the advertised lines from time to time.

"The same idea applies in a measure to the special Numbers issued by newspapers and magazines. No doubt the special Automobile Number of a magazine or a newspaper holds more than ordinary interest to those people who are going to buy cars. It seems like good policy, therefore, to advertise cars in the Special Automobile Numbers.

"Some distinction should be made, of course, between an honest effort on the part of the legitimate publication to create trade interest in a special Number, and the more or less catch-penny special editions that are gotten out for no other purpose than to inveigle advertisers into an extra expenditure.

"There can be no doubt as to the motive of HARDWARE AND METAL in getting out their Spring and Fall Feature Numbers. These Numbers have now become an institution with them, and are recognized as being an honest effort to promote the interests of the hardware trade, and the manufacturers to supply stock to hardware merchants."

EMERGENCIES

The building business is a business of emergencies. Something may happen or it may not. But if it does you want a contractor who can handle the situation without calling for help. That is the kind of contractor we are.

THOMPSON-STARRETT
Company, Limited
Building Construction

Principal—Interest—Sinking Fun
GUARANTEED 8%
UNCONDITIONALLY

We offer

Asbestos Mines
Limited

8% First Mortgage 10-year S. F.
Gold Coupon Bonds

1. An essential, basic industry.
2. Tangible assets of $552,374.02, equal to $2,200 for every $1,000 of bonded indebtedness.
3. Experienced, practical management.
4. 7,000,000 tons of asbestos proven up. Other sections, as yet undeveloped, will increase this tonnage.
5. This production, estimated conservatively, will yield net profit of $1.00 per ton.
6. Output for 1923 and well into 1924 already sold. Earnings will take care of annual sinking fund and over five times bond interest charges.
7. Principal, interest and $25,000 annual sinking fund guaranteed.

Principal and Interest Payable in New York and Montreal. Partial Payment Plan if desired.

Price: par $100, and accrued interest to yield 8%

Full particulars on request.

CREDIT-CANADA
Limitee
Established 1910
120 St. James Street, Transportation Bldg.
Montreal

A Reliable Quotation Service in Unlisteds

The importance of reliable quotations cannot be overestimated. Because these stocks are not dealt in upon any exchange it is sometimes rather difficult to secure quotations that can be *relied upon.*

You may rest assured that our quotations are reliable. To secure them we exercise infinite care. You will not be obligating yourself to use our service.

CONTINENTAL BOND CORPORATION, LIMITED
302 BAY STREET TORONTO
Adelaide 3176-7

"DONWOODS"

If you are seeking a building site quite out of the ordinary, with trees, glimpses of river, contours lending themselves to fine garden effects—then see "DONWOODS," one minute from Yonge Street and the city car. Restricted.

$23 to $60 per foot.

H. R. DOUGLAS
ELGIN 3308 MAIL BUILDING

G.A. STIMSON & CO.
EST'D 1888 LIMITED
GOVERNMENT, MUNICIPAL, AND RAILWAY BONDS
36-38 KING ST. E. TORONTO

BRAZILIAN TRACTION

Net earnings of the Brazilian Traction, Light & Power Company set a new high record during the month of June. Net for the month at 12,809,000 milreis compared with 12,706,000 milreis for May and 10,447,000 for June a year ago. Gross earnings for June at 20,870,000 were slightly lower than the record figure for May when the earnings totalled 20,990,000 milreis. Operating expenses at 8,061,000 were higher by 2,242,000 milreis. The aggregate gross for the first six months of the year at 117,463,000 milreis, showed an increase of 24,948,000, while the aggregate net at 70,621,000 showed an increase of 13,966,000 milreis.

INTERNATIONAL LOAN PERHAPS FOR GERMANY

American Opinion as to Solution of Reparations Problem

BRITAIN RECOVERING

Now Reaping the Benefits of Sound Financial Policy—Industry Emerging From Depression

NEW YORK.—Opinion seems to be crystallizing that a solution of the reparations problem lies ultimately in an international loan to Germany, with adequate guarantees, according to a review of the foreign situation in the current Guaranty Survey, published by the Guaranty Trust Company of New York. In any event, the Survey says, it is clear that matters are rapidly approaching the breaking point in Germany, with results which cannot, of course, be forecast.

Great Britain

Great Britain is now very obviously reaping pronounced benefits from her strict adherence and devotion to sound financial policies since the war, as shown by the restriction of her government expenditures within national revenues, her retention of adequate taxation in spite of protests and in spite of the difficult industrial situation which has existed for the last two years, and by her refusal to listen to the advocates of inflation of currency or of other unsound monetary measures.

British industry to-day is at last plainly emerging from the protracted period of depression. The strong financial position of the government is shown by the exchange value of sterling, by a surplus of £101,000,000 which was accumulated during the fiscal year ended March 31, 1923, and by the inclusion of £40,000,000 in the current budget for the amortization of the national debt.

Italy

The Italian government revenues by the end of May had reached a total in excess of the budget estimates for the entire fiscal year ended June 30. The total receipts for eleven months were 11,315,000,000 lire, while the estimates for the whole year were 10,896,000,000 lire. Unemployment has decreased materially in recent months. Both exports and imports are higher in value than last year, but imports are increasing more than exports and the unfavorable balance of trade is thereby becoming greater.

Spain

Serious strikes and extreme labor unrest have characterized the recent economic situation in Barcelona and other industrial centers in Spain. Shipping and many other industries have been adversely affected by these influences. The government finances remain in an unsatisfactory position and the unfavorable balance of trade has been increasing.

The renewed outbreak of the Moroccan war is another disturbing element among the existing difficulties. An appraisal of real property is taking place and it is probable that the receipts from the land tax may be doubled as a result of this investigation. Some falling off in the exchange value of the peseta has also taken place.

Russia

Russia has thus far negotiated treaties, both political and economic in character, with Germany, Austria, Great Britain and Canada, Denmark, Finland, Poland, Czechoslovakia, Latvia, Esthonia, Lithuania, Norway and Turkey. Unrestricted commercial relations, however, have not been re-established and all transactions with Russia are carried on through official and semi-official organizations assigned to the control of foreign trade by the Soviet government.

Trading agencies of the government are maintaining and carry on business in the United States and in other countries with which no trade agreements have yet been officially established, and merchants of these nations are free to enter Russia and deal with those organizations of the government to which operations in foreign commerce are restricted. Italy has accepted the terms of an agreement similar to the Anglo-Russian pact, but this treaty was not ratified by Russia. Sweden has declined to complete such an agreement on the ground that it does not provide for the reimbursement of Swedish nationals whose property has been confiscated in Russia, and Switzerland has followed her example for the same reason.

WHEN A GOOD NAME'S AS GOOD AS RICHES

What's in a name? Sometimes there is a lot of money in it for the man who has a good name that is needed at the moment.

Witness the case of a well-known confectionery firm. It was started some years ago by two men whose names did not lend themselves very favorably to naming anything with such a delicate appeal as chocolates and bonbons. What was needed was a mellifluent and at the same time catchy name. While the two partners were discussing their problem their eyes rested on the firm's bookkeeper. Inspiration came at once. They called him in and gave him an interest in the firm in exchange for the use of his name, which was eminently suitable. The name is known from coast to coast in Canada.

Or consider a department store in a large Canadian city. When taken over by the present organization there were reasons why the names of the two chief owners were not suitable for the new company. But one of the lesser owners, a man with only a small stock interest, had a name that carried with it tradition, good advertising value and brevity. The store was called by his name and probably thousands of people think he owns the store.

EMBARGO WILL NOT STOP PULP EXPORTS

Only the Raw Wood is Covered—Evidently Some Misinformation in New York

From Our Own Correspondent

MONTREAL.—That some degree of misapprehension exists concerning the proposed embargo on pulpwood shipments from Canada is evident from a New York dispatch referring to the possible closing down of certain mills on the other side of the line. This dispatch mentions the Ticonderoga Pulp and Paper Company, a subsidiary of Riordon, and points out, that, as Ticonderoga does not own any wood limits of its own in the United States, the failure of its Canadian supply of wood would, "it is believed in New York pulp and paper circles," force the mill to close and cause heavy loss to Riordon, which controls 60 per cent. of its stock.

The feeling in New York pulp and paper circles on this matter is due to a misconception of the terms of the proposed embargo. It provides for the cutting off of shipments of pulpwood, but not of wood pulp, which is a semi-finished product, half way between the tree and paper, and would not be affected. Ticonderoga buys wood pulp in Canada and can continue to do so. The only pulp it makes is soda fibre, and for this it purchases locally a quantity of poplar.

It should be understood that the cutting off of supplies of pulpwood from Canada should not directly force any American paper mills to close down, for wood pulp can continue to be shipped from Canada. Exports of pulpwood from Canada in 1923 fiscal year had a value of under $11,000,000. Exports of wood pulp on the other hand had a value of over $42,000,000. The wood pulp industry in Canada, has a capital invested of $130,000,000 altogether apart from pulp mills run as units in paper mills, and this industry stands to benefit rather than suffer from the proposed embargo.

RUST NOW DOING SOME DAMAGE TO WESTERN WHEAT

(Continued from Page 1)

tory oats and barley are very generally a good crop and there is much excellent fodder corn.

Manitoba is paying the price of three weeks of the hottest weather experienced for years with a most unusual accompaniment of nights when the temperature ranged from 65 to 72, and the rust conditions are the direct result of that weather.

Conditions are very different in Saskatchewan where there has been a much greater rainfall and much less hot weather. Around Gainsboro and Carievale and north of Redvers on the Arcola line and west to Arcola and around that district the grain is heavy and late with not much evidence of rust, though some rust exists in every field, together with considerable saw-fly. Filling is slow.

Wheat and oat crops, while most of them are late, are good and so is barley. There are in the districts mentioned very considerable areas of Durum wheat and this variety is almost entirely free from saw-fly and entirely free from rust. It is, however, very much later than Marquis and consequently more in danger of frost.

Rain in Saskatchewan

From Arcola north to Stoughton conditions are very similar. From Stoughton north to Francis conditions of all grains are fair. There is less saw-fly and very little rust and wheat is rather further advanced. From Francis south to Weyburn on the Soo line stands are good. There is little rust but considerably more saw-fly, especially immediately south of Francis. Between Stoughton and Francis there are very large areas of good flax, though most of it is weedy. Ten miles north of Weyburn and all the way into that town there is scarcely a trace of rust and much less saw-fly, and wheat, while filling slowly, is getting past the soft dough stage.

From Weyburn to Moosejaw the land is heavy and there has been an enormous amount of rain and very considerable areas in many fields have been drowned out. Stands of grain are heavy. There is little rust but some saw-fly. The chief trouble is that the crop is very late, at least 75 per cent. of the wheat being only at the milk stage. The straw, due to so much rain, apparently is soft and goes down easily.

For the past five days the weather has been cooler and to-day has been positively cold. This, while excellent for checking the development of rust which was stimulated by the previous heat, is not good filling weather.

TREES FOR THE PRAIRIES

Over two and a half million trees have been sent out from the Dominion forestry farm at Sutherland, Sask., during the last few weeks. Of these, the larger part found their way to homes in the three prairie provinces, but shipments were also made to British Columbia. The actual number of trees distributed this year was 2,623,175, as compared with 2,270,600 last year.

OFFICIAL REPORT BEING DRAWN UP ABOUT THE ROUYN

Quebec Superintendent of Mines Finds Conditions Excellent

From Our Own Correspondent

MONTREAL.—Governmental officials of the province of Quebec have been looking over the new gold area in Rouyn township in connection with a somewhat detailed report that is to be issued by the Department of Mines, under Hon. J. E. Perrault, minister. The report, when issued, is likely to be exceedingly optimistic as to the opportunities in this area and will bear out the preliminary reports of Federal government geologists and private prospectors.

T. C. Denis, Superintendent of Mines for the provinces, got back from a tour of inspection this week. He found conditions excellent for exploitation. The same formation has been found to exist that exists at Kirkland Lake and Larder Lake in Ontario, and is similar to the formation at Porcupine. The Rouyn territory is merely an extension of the Temiskaming series, a belt of mineral lands, stretching for many miles across Northern Ontario, and including many of the world's richest mines.

Many Miners Busy

There are now 250 prospectors at work in the Rouyn carrying out the preliminary work on their properties that is necessary to retain right to their claims. There have been many strong syndicates organized to take over some of these claims, and one company at least has made an offering of stock. This company, Rouyn Gold, which has favorably located properties, is offering 250,000 shares of stock at 20 cents a share. This would provide less than $50,000, after cost of selling, which is inadequate to do more than preliminary work on the property and for further development much additional capital would be needed by the company. Negotiations have proceeded between the chief interests behind this company and the Duke of Manchester, who is now in Canada and intends to look over the Rouyn field. These negotiations were to the end of interesting British capital in the purchase of the company.

Will Take Long Time

It is not now expected that any gold will come out of Rouyn for two or three years. It always takes some years to get a gold camp into full swing, for many miles of diamond drilling must be done and many yards of tunnelling has to be carried out through solid rock. Shafts have to be sunk and cross-cutting and drifting proceeded with; ore must be blocked out and mills erected. All of this involves a great deal of difficult work of a technical and engineering nature, and before it can be proceeded with, money has to be supplied by syndicates or by private investors. It is being recalled here that it took five or six years to develop Porcupine or longer than that at Kirkland Lake and Larder Lake.

But the sudden development of interest in Rouyn has taken on the semblance of a feverish excitement and the ultimate exploitation of the field, for the best that is in it is likely to be much more rapid than in the case of other gold fields in Northern Ontario and Quebec.

PREFERRED OFFERED OF OTTAWA AND HULL

Board of Directors of New Company Includes Several Ottawa Business Men

From Our Own Correspondent

MONTREAL.—Directors of the new Ottawa and Hull Power Company have been announced in connection with the offering of $1,500,000 of preferred stock in the company. They include Sir Henry K. Egan, who was head of the former company owning the properties; J. B. Fraser, of Ottawa; J. A. Cameron, of Ottawa; J. B. Woodyatt, general manager of Southern Canada Power; A. J. Nesbitt, of Montreal, and E. C. Bremner, of Ottawa.

The preferred stock is now being offered by Nesbitt, Thomson and Company at 99, with a bonus of 25 per cent. in common stock. The authorized amount is $1,500,000, of which the full amount is now being issued. There are 25,000 shares of no par value of common stock and first mortgage bonds to the amount of $2,500,000 will shortly be issued.

It is pointed out that the present financing, besides providing for the purchase of the property by the new company will supply funds for the construction of a third unit at Chaudiere Falls, Ottawa, with a capacity of 9,000 h.p. which will bring the installed capacity to 40,500 horsepower. Later development of another site capable of producing 60,000 h. p. will be undertaken through a subsidiary.

Net earnings of the previous company for the year ended December 31 last totalled $238,739 available for interest and dividends.

UKRANIANS FOR PRAIRIES

Montreal.—Two hundred Ukranians passed through here recently en route to Western Canada, where they will locate among the Russian colonists. The party left Ukrania several months ago, intending to settle in Cuba. That country was too hot, however, for their northern blood, so they decided to locate in Canada. All are farmers, of splendid physique and averaging 30 years of age.

BUILDING WAGES AFFECT GENERAL COSTS OF LABOR

General Increases Were Reported in Spring Months

NEW YORK.—Predictions have been many to the effect that the extraordinary rates of pay being received by certain classes of workmen in the building trades would have a tendency to increase wages in industry generally. Figures of the United States Bureau of Labor Statistics covering wages and employment go far to confirm those predictions.

The Bureau's preliminary figures for the month of May indicate a general increase in wages in 1,279 industrial establishments during May, or a 50 per cent. increase over the number of those in which increased pay was granted in April. Since the Bureau's analysis covers 6.075 representative organizations in 47 manufacturing industries, the figures relating to wages disclose that the increase extended to 20 per cent. of the industrial field under review.

The average wage increase was 10.4 per cent. and it is, perhaps, significant that the iron and steel, brick and tile and lumber industries were among those granting higher wages. It might naturally be expected that the tendency to abnormal wages in the building trades would first be reflected in industries so closely allied to the construction industry as the foregoing.

Payroll Increases

The Labor Statistics Bureau's report also discloses that the weekly payroll of the industries covered amounted to $60,219,175 per week in May as against $57,847.236 in April for approximately the same number of employees. The Bureau's summary does not furnish detailed information covering the rates of pay in the various industries, but informative figures on that phase are given by the National Industrial Conference Board whose latest statistics cover average weekly earnings in May. Twenty-three industries are reviewed by the Board, which states that in April compared to March the number employed remained stationary, working hours gained slightly, whereas real earnings showed a marked advance. In May the number employed and the working hours fell off slightly, but "real" earnings made another sharp advance.

According to the Board's figures, the average weekly earnings of workers in the 23 industries considered increased from $25.62 in March to $27.22 in May. The upward movement was particularly notable in the iron and steel industry in which average weekly wage increased from $32.01 in March to $37.50 in May. Skilled workers benefited most, their average weekly earnings advancing nearly $3 in April over March and almost $3 in May above April.

The April Advances

In commenting on the general increases the Board emphasized that the April advance in average weekly earnings was greater than in any month during the past year. It represented a rise of 8 points in the Board's index figure. The rise in May represented a further advance of 6 points, bringing average weekly earnings to a point 118 per cent. above the figures for July, 1914, and 9.2 per cent. higher than in January last.

The extent to which the wage inflation in the building industry has been influential in effecting the above increases is, of course, conjectural. However, since a number of industries compete directly with the building trades for labor, both skilled and unskilled, it is reasonable to believe that some part of the general increases is attributable to that competition, says the index.

CALGARY POWER

Attempts are being made by the Calgary Power Company to get additional water power rights. The president of the company, V. M. Drury has been in Alberta recently negotiating with governmental authorities in the matter.

STOCK MOVEMENTS OF THE WEEK

Week Ending July 31

	Div. Rate	Ask	Bid	High	Low	Close	Sales
Banks—							
Commerce	12	195	193	197	193	194	69
Dominion	12	190	—	193	190	190	33
Hamilton	12	163	160	164	149⅞	162	279
Imperial	12	179	—	181	179	179	70
Molsons	12	169	—	168½	165	165½	29
Montreal	12	—	233	236¼	233	233	36
Nova Scotia	16	259	—	260	258	259	40
Royal	12	—	220	220½	220	220	54
Standard	14	—	170	189	170	172	574
Union	10	—	116	118¼	116	116	119
Industrials, Utilities, etc.							
Abitibi, com.	4	58¾	58	59	58	58	380
Amer. Salesbook, com.	4	38½	36	36½	36½	36½	50
Do., pref.	7	92	89	90	89	89	78
Asbestos Corp., com.	6	—	50½	53	49⅞	49⅞	270
Do., pref.	7	73	70	74½	74½	74½	5
Atlantic Sugar, com.	—	17¼	16¼	17¼	15	15	40
Barcelona Traction	—	19	18⅝	18½	17¾	18½	77
Bell Telephone	8	122	121¾	123	121½	121½	803
Bird & Son, pref.	7	—	90¾	90⅝	90⅝	90⅝	6
B. C. Fishing	—	17	—	16	14	15	62
Brazilian Traction	4	45¾	45	48	45¼	45¼	2770
B. E. Steel, com.	—	8½	8	8½	8	8¼	1417
Do., 1st pref.	7	66	64½	64	64	64	80
Do., 2nd pref.	—	19½	18½	20¾	18½	18½	768
Brompton Pulp	—	38½	38	40	38¼	38¼	1725
Burt, F. N., com.	10	128	127½	127	126½	126½	24
Canada Bread, com.	—	57	55	55	55	55	5
Do, pref.	7	93	92½	93	93	93	110
Can. Car & Foundry, pref.	—	78	76	78	77	77	230
Canada Cement, com.	6	82	80	81	81	81	5
Do., pref.	7	—	102	104½	103	104½	91
Canada Steamships, com.	—	15	13½	15	14	14	175
Do., pref.	—	46½	46	49	46	46	510
Can. Converters	7	87½	—	89	87½	87½	74
Can. Cottons, com.	8	111	—	112	110	110	190
Do., pref.	6	—	90	90	89½	90	60
Can. General Electric, com.	6	102	—	103	101	101	401
Can. Locomotive, pref.	7	95½	94¾	95½	95½	95½	50
Can. Pacific Railway	10	149½	148½	151½	147½	148¼	244
Consumers Gas	10	159	158½	160	158	159	139
Crow's Nest Coal	6	52	50	52	52	52	15
Detroit United Rly.	6	71½	70	71	70	70¼	242
Dominion Bridge	4	66	64	66	66	66	25
Dom. Canners, com.	—	30	28	28¾	28½	28½	119
Dominion Glass, com.	7	—	90	92½	91	91	60
Do., pref.	7	105½	105	105¼	105¼	105¼	55
Dominion Coal, pref.	7	85	—	85	85	85	10
Dominion Iron, pref.	7	—	77	77	76¾	77	25
Dom. Steel Corp., pref.	6	—	74	74½	74½	74½	5
Dominion Telegraph	6	44	43¾	—	—	—	—
Dom. Textile, com.	4	—	64	66	64	64	839
Do., pref.	7	—	110½	110½	110	110½	30
Duluth-Superior	—	39½	38½	41	39	39	17
Eastern Theatres, com.	—	10	9	9½	9	9	267
Do., pref.	7	—	70	70	70	70	1
Goodyear Tire, pref.	7	85	84½	84½	84½	84½	69
Illinois Traction, com.	—	51½	50½	50½	50¼	50¼	90
Do., pref.	6	87	86½	86	86	86½	46
Holt, Renfrew, com.	—	—	—	12	12	12	15
Lake of Woods Milling, com.	12	165	—	170¼	166¾	165	65
Laurentide Paper	6	93	92	95	92½	93	510
Lyall Construction	—	22	20¼	20½	20½	20½	25
Macdonald, A.	—	—	5¼	5¼	5¼	5¼	10
Mackay, com.	7	111½	110	112	110	110¼	167
Do., pref.	4	69	67	68	68	68	20
Maple Leaf Milling, com.	8	70	—	75	75	75	5
Do., pref.	7	89	—	89⅞	85	85	20
Monarch Knitting, pref.	7	83	81	82	82	82	5
Montreal Light, Heat, Cons.	6	120	119½	120	118¼	118¼	796
Montreal Telegraph	8	—	52	52	51	52	4
Montreal Tramways	10	146	140	145	143	143	35
National Breweries, com.	4	48	47¾	48¾	47½	47½	390
Ogilvie Flour, com.	12	—	270	275	275	275	1
Ottawa Light and Power	6	—	83½	84	83½	83½	33
Pacific Burt, com.	6	103	100	103	103	103	3
Do., pref.	7	105	—	103	103	103	12
Penman's, com.	8	145	140	143½	143½	143½	100
Do., pref.	6	100	98	99	98½	99	55
Price Bros. com.	2	—	43	43	43	43	150
Provincial Paper, com.	6	90	—	90	90	90	25
Do., pref.	7	95	—	95	95	95	10
Quebec Railway	—	18	17¼	20¾	15¼	17⅝	2265
Riordon, com.	—	3	2	2⅛	2⅛	2⅛	10
Rogers, Wm., com.	—	—	50	50	50	50	28
Do., pref.	7	87	—	87	87	87	12
Shawinigan Water & Power	7	116	115½	116	115¼	115¼	298
Sherwin Williams, com.	6	111	—	111	111	111	25
Do., pref.	7	100¼	100	100½	100½	100½	50
Spanish River Pulp, com.	7	86½	84	87⅛	84⅜	85⅜	1025
Do., pref.	7	96	95	98	95	95¾	1293
Smith, Howard, Paper, com.	6	69¾	68	70½	68	68	132
Do., pref.	8	—	101	102	102	102	75
Steel of Canada, com.	7	70	68	70¼	68½	69	555
Do., pref.	7	102	100	101	100	100½	185
St. Maurice Paper	6	—	99¼	100	99¼	100	165
Toronto Railway	—	78	77¼	79	77	78	265
Tuckett Tobacco, com.	4	50	49⅞	50¼	49½	50¼	352
Do., pref.	7	—	93	93	93	93	10
Twin City, com.	6	70⅜	70	72¼	70	70	412
Wabasso Cotton	4	—	72¼	72½	72½	72½	25
Wayagamack	—	—	47¼	47½	47½	47½	40
Western Canada Flour	8	105	100	105	105	105	5
Winnipeg Electric, com.	—	33½	33	34¾	33	34	96
Do., pref.	7	85	83½	84½	84	84½	25
Woods Manufacturing, com.	8	55	54⅞	55	53	55	45
Do., pref.	7	78	—	80	79	79	20
Canada Landed	10	78	—	78	77½	77½	45
Can. Permanent	12	189	—	187	187	187	11
Landed Banking	9	—	144	144	144	144	21
Montreal Loan	12	—	—	44	42¾	42¾	176

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Stop Over in the Mountains

No journey across Canada is complete without a sojourn however brief among the majestic awe-inspiring mountains.

Even a one-day stop-over at Jasper Park Lodge, that delightful rustic Alpine Chalet by the side of Lac Beauvert in the heart of Jasper National Park up in the Northern Canadian Rockies gives untold compensations.

This glorious mountain playground is the largest National Park in the world, embracing 4,400 square miles of mountain grandeur. There are sublime snowclad mountains, a number of which have never been named and hundreds of which tower between 7,000 and 10,000 feet in altitude, glaciers both small and great, wild mountain torrents, leaping through gorges and tumbling in white foaming cataracts; snowfields and clear sparkling lakes that gleam like jewels in their setting of green.

Riding, mountain climbing, boating on Lac Beauvert and swimming in the cool Alpine tarns are the chief attractions of this park, while practically every other healthful recreation may be indulged in. There is a good tennis court and a golf course under construction.

Write any of the Canadian National Railways for handsomely illustrated booklet.

FORD RECORD PRODUCTION

A new high daily production record was established by the Ford plants on Friday, July 27, it was reported in New York to-day, with 6,907 cars and trucks turned out, an increase of 23 over the previous high record made on June 30. Within one single working day of eight hours, it was added, the plants are now turning out four times as many cars as were produced for the whole first year of operations.

OVER $9,000,000 OF QUEBEC RAILS "ASSETS" VANISH

New Interests Squeeze Out Water in Arranging Finances

DISTRIBUTING STOCK

Quebec Power Stock Offered Shareholders and Income Bondholders of the Old Company

From Our Own Correspondent

MONTREAL.—More than nine million dollars of water and losses have been squeezed out of the Quebec Railway affairs by the recent changes involving the absorption of the company into the Quebec Power Company. At the present time Quebec Power Company and Quebec Railway have outstanding total stock—including Quebec Rails income bonds—to a par value of $16,317,200. Supposing that all shareholders of Quebec Railways transfer their stock into the Quebec Power Company and all the income bond holders accept new preferred stock for their securities the total amount of securities that would be outstanding would be $6,772,400. This allows for the ten per cent. stock dividend in preferred stock that was declared this week payable to Quebec Power common stockholders.

Can Now Finance Easily

There will still be outstanding $9,089,000 of Quebec Railway bonds and $911,000 additional of these bonds will be in escrow to redeem outstanding bonds of subsidiary companies. But Quebec Power Company has no bonds of its own outstanding and is in a position to finance with facility the extensions to the combined enterprises that are planned by the new interests. This feature was referred to in the letter of James Wilson, secretary of Quebec Power to Quebec Railway shareholders, in which he states:

"The main problem confronting the Directors of your Company is one involving the immediate provision of a very considerable sum of money to meet current liabilities and the further amounts which will be necessary to maintain, extend and develop the various properties. If the proposed plan is accepted and the two Companies are brought together upon the basis outlined in the circular, this problem will be solved and the necessary financing will be arranged on advantageous terms.

"The alternative would be to arrange for independent financing which at best could only be carried out on very onerous terms."

Linking Two Competitors

The announcements of the allotment of Quebec Power stock to Quebec Railway shareholders on the basis of one share in four and regarding the income bonds were additional steps of importance in the broad financial transaction that has been under way ever since the Shawinigan interests stepped in to pay the Quebec Railway indebtedness that fell due in the spring and to assume control of the company. Shawinigan Water and Power Company had an important subsidiary in Quebec City that, in the light and power end of its business, was in competition with Quebec Railway's light and power activities. This company, the Quebec Public Utility Corporation, was made the basis of a new company. Its capitalization was revised, its outstanding bonds paid off and its name changed to Quebec Power Company. Advances were made from the parent company, the Shawinigan Water and Power Company, to meet the maturing liabilities of Quebec Railway and to provide working capital. Now the final proposals for linking the two enterprises together are announced.

Quebec Railway shareholders are offered one share of common stock in Quebec Power Company for each four shares of Railway stock they hold. There was $10,000,000 of railway stock outstanding and these shareholders thus get for their holdings an interest of $2,500,000 in the $6,000,000 of Quebec Power common stock, of which $4,100,000 will then be outstanding, assuming all shares are exchanged.

The Income Bond Holders

Quebec Railway income bond holders, who are not receiving interest on their bonds and have no prospects of receiving interest on their bonds, are offered $27 for each $100 bond, or as an alternative $30 of 7 per cent. preferred stock in Quebec Power Company. As there were $3,307,200 of these bonds outstanding the bondholders receive $1,102,400 of a total of $4,000,000 of preferred stock of which $2,672,000 will be outstanding assuming that all change their bonds for stock and allowing for the stock dividend declared this week.

The Quebec Power Company board of directors in asking Quebec Railway shareholders and bond holders to accept the offer made to them, point that the properties of the latter company are in fair physical condition, but that considerable expenditures are necessary to provide for repairs and improvements. With these repairs and improvements the earnings of the company could be increased. For instance, it is mentioned that the company is now using all the power available from its present sources of supply, which makes it impossible to add to its earnings from power sales without making satisfactory contracts for outside power.

Deficit in Current Account

There is a shortage of working capital, and in fact, the balance sheet at May 31 showed a deficit of $466,150 between current assets and current liabilities, which has been further increased by advances from the Quebec Power Company amounting to $750,000.

It is pointed out that the company's assets are not worth the sums at which they are carried in the balance sheet and there are, moreover, such items as bond discount and investment adjustment, representing losses on investments that should be written off. It is on account of these facts that it has been necessary to write down values by $9,815,000 and make the allotment of stock in the Quebec Power Company on the basis outlined.

Dominion Textile Company
LIMITED
Manufacturers of
COTTON FABRIC
MONTREAL TORONTO WINNIPEG

CANADIAN PACIFIC $247,000 BEHIND IN FIRST SIX MOS.

Has Excellent Chance Though of Regaining Lost Ground

From Our Own Correspondent

MONTREAL.—The volume of business was generally good throughout Canada during June and this shows itself very clearly in the earnings statement of the Canadian Pacific Railway for that month. C. P. R.'s earnings in June were the highest for the year to date, and despite revisions of rates that were made a year ago the gross earnings were higher than in June, 1922. Net earnings as well were the highest for any month in the present year and higher than in June, 1922.

Comparing the Figures

June's gross earnings were $14,943,918. Gross earnings for the first six months of the year 1923 have been $80,845,493. The figures for the month compare as follows:

June—	1923	1922	Inc.
Gross	$14,943,918	$13,810,447	$1,133,470
Wk. exp.	12,521,917	11,448,134	1,073,783
Net prof.	$2,422,000	$2,362,313	$ 59,687

The figures for the first half of the year compare as follows:

Six months	1923	1922	Inc.
Gross	$80,845,493	$76,295,358	$4,550,134
Wk. exp.	71,279,132	66,481,287	4,797,845
Net prof.	$9,566,360	$9,814,071	*$247,710

*Decrease.

Now $250,000 Behind

At the end of the six months, C. P. R. was behind in net earnings. This was due to the greatly increased operating expenses of the snow-bound months and the flood period that followed. How greatly these operating expenses interfered with net profits can be seen from the following figures which compare the ratio of operating expenses to gross earnings for the first half of a number of past years:

1923	88.1
1922	87.2
1921	84.6
1920	87.6
1919	84.1
1918	79.6
1917	71.9

Likely to go Ahead

With a large crop and prospects for increased immigration C. P. R. stands an excellent opportunity of catching up the quarter of a million dollars that it is now behind in net earnings, during the next two months or so. Rates are still very unsatisfactory, the conditions created by the Crow's Nest Pass schedule greatly interfering with gross earnings. But this has not been the real reason C. P. R. has gone behind this year. Unusual working conditions have caused the trouble.

Six Months' Exports of North Near 18 Million

Northern Ontario's exports to the United States totalled $17,285,608. Mining products, gold and silver bullion and ores totalled over $7,000,000, according to figures of the American vice-consul at North Bay. Pulp, pulpwood and paper exports totalled over $8,000,000.

Higher Prices Talked of For Groundwood Pulp

From Our Own Correspondent

MONTREAL.—Higher prices for groundwood pulp are now being discussed. This has been a season of low water and it has seriously interfered with the power supply of many of the paper mills in the United States and Canada. The shortage of power has therefore interfered with the grinding of pulp and many of the mills that were self-contained have had to go into the open market to buy their groundwood. This has tended to create a firmer market and suggests a possibility of higher prices. The groundwood quotations in Canada are now about $38 per ton and one experienced observer speaks of a price of $50 per ton by the fall if the newsprint demand keeps up at the present rate.

THE STANDARD CHEMICAL CO. SHOWS PROFIT

But Reduction in the Deficit is Not Very Great

WORKING CAPITAL UP

Looking to Future no Great or Sudden Decline in Prices Seems Likely to President

There was a marked improvement in the business of the Standard Chemical Company reflected in the annual statement for the year ending March 31st, but of the profits of $292,110 there was only $42,626 available after the payment of debenture and bank interest, which did not make a great impression on the deficit of $624,088 brought forward from the last report. Following are comparative figures from the profit and loss account:

	1923	1922
Profits	$292,110	$ 20,861
Deprec.	191,854	191,854
Balance	$100,256	*$170,993
Invent. deprec.	......	521,322
Balance	$100,256	*$602,315
Deb. int.	41,764	44,426
Balance	$ 58,492	*$736,741
Bank int.	15,865	25,627
Net profit	$ 42,626	†$762,368
Deficit	624,088	**138,279
Deficit	$581,462	$624,088

*Debit.
†Deficit for year.
**Surplus.

Assets in the balance sheet are carried at $6,242,060, against $6,733,670 in the previous year. Current assets are somewhat lower at $1,181,989, as compared with $1,411,659. Inventories are lower at $820,955, as against $1,121,622. Current liabilities show a very material reduction from $681,185 to $209,169. Bank loans have been reduced from $300,000 to $100,000, and accounts payable from $381,185 to $104,169. Reserves for foreign investments and contingencies now stand at $332,897. The ratio of current assets stands at 5.6 to 1. The working capital position of the company has improved by some $240,000.

The Company's Outlook

In his remarks to the shareholders, President David Gilmour refers to the improvement in the company's position indicated by the accounts, and continues:

A revival of business in the United States occurred almost immediately after the passing of the Fordney Tariff Bill, with consequent absorption of their large stocks of wood products leaving very little surplus available from that important source for the European markets. This resulted in an improvement in prices which affected advantageously our company's business. It is very difficult to say just how long the present favorable conditions will continue but at the moment there is every reason to believe that no great or sudden decline is probable. Further advances in your company's process control also contributed to the results while various economies instituted in the matter of staff numbers and by changes in the organization also had their effect.

A number of the company's factories have again been idle during the year. During the twelve months 56,346 cords of wood were carbonized. The operating plants and all physical assets have been maintained at a high level of efficiency. The total sales amounted to $2,064,226.68, on which a working profit of $292,110.03 was realized. This profit is subject to deductions for depreciation reserve amounting to $191,854.08, interest on outstanding debentures amounting to $41,764.07, and interest on bank loans, $15,865.68; a total of $249,483.83. The net profit for the twelve months is thus shown at $24,626.20.

Believes Blue-Sky Law Protected the Investor

From Our Own Correspondent

REGINA.—The opinion of leading financial men concerning the appeal court's decision in regard to the Sale of Shares Act is that, while the validity of the co-called "Blue Sky Law" has been questioned for some time. the effect of the law itself, has, in the main, been good. Investors, it is pointed out, have been protected from many unsound stock-selling enterprises through its agency, and supervision of newly-organized financial concerns, coming within the scope of the act, has prevented many "wild cat" schemes from being foisted upon the public.

Just what steps the Saskatchewan government contemplates with regard to replacement legislation, will be of paramount interest in financial circles.

Soap Firm Guarantees Men Year-Round Work

CINCINNATI.—Beginning August 1, the thousands of employees of the Procter & Gamble plants and offices, located in thirty cities in the United States and Canada, will be guaranteed steady employment, Colonel William Cooper Proctor, president of the company, annnouced to-day.

This innovation is an extension of the profit-sharing plan which the company adopted many years ago. Under the new plan, an employee is guaranteed full time for not less than forty-eight weeks in the year, regardless of seasonal depression in industry.

With a record of uninterrupted increases in net earnings for 13 years, a period which encompasses three depressions, Gillette Safety Razor seems likely to increase its net earnings this year a clean $1,000,000 over 1922.

Official Announcement

just issued by the Insurance Department at Ottawa shows that the ordinary business issued by The Great-West Life Assurance Company in Canada for the year 1922 was **$48,977,132, being greater than that issued by any other Company and over eight millions in excess** of the largest amount issued by any other Canadian Company.

In the Lead

The Great-West Life Assurance Co.
HEAD OFFICE, WINNIPEG

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interest, payable half-yearly, by investing in the Bonds of the Canada Permanent Mortgage Corporation, one of Canada's oldest and strongest financial institutions. It was founded in 1855, more than twelve years before Confederation, and from small beginnings has grown till it now has

Paid-up Capital	$7,000,000.00
Reserve Fund and Accumulated Profits	7,334,155.90
Assets	41,365,608.36

Canada Permanent Mortgage Corporation
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CLEAR THE TRACK, PAPER TRAIN IS PASSING THROUGH

One Such Train Now in Service and Another is Being Planned

SPEED IN SHIPPING

American Newspapers Do Not Carry Large Stocks of Paper Ahead and Canadian Paper Must be Rushed

From Our Own Correspondent

MONTREAL.—Some time ago the story appeared that the National Railways were putting on a special "paper train" to carry the newsprint output of the Quebec province mills to the New York City papers that depend upon Canadian mills for their supply. The announcement was evidently quite premature, for the proposed paper special has not yet been put into service. THE FINANCIAL POST understands though that some small degree of progress has been made in working out the schedule for the train and that it may eventually be put into service. The difficulty is that some of the largest users of paper in New York City are satisfied with their present traffic arrangements and hesitate to change to something they view as experimental.

The plans of the C. N. R. involved picking up paper at Chicoutimi, Jonquiere, Grand Mere, Shawinigan Falls, Donnacona, Ottawa, Windsor Mills, Ottawa, Bromptonville, and Montreal and concentrating the car loads so congregated into a train that would run over the Central Vermont Railway to join with the New Haven and then directly into New York City. The train would run daily, carrying only newsprint plus such additional commodities as could easily be handled in connection with the paper shipments. Covering the territory outlined it could handle shipments from such mills as Price Brothers, Donnacona, Laurentide, Belgo, St. Maurice, St. Lawrence, International, Canada Paper, Booth's, Eddy's and Brompton. The schedule was so arranged that longest distance coovered —from Chicoutimi to New York— would be done in 87 hours. Shipments made one day would be delivered the fourth morning after.

Speeding up Schedules

Such speed is much faster than is afforded by ordinary freight service. Newsprint is considered by railways as in the same class as perishable commodities and gets the utmost despatch in shipments. There are few large papers that have the warehouse facilities to carry more than one or two day's supply of paper ahead. The New York Times, which is not by any means the largest consumer of newsprint paper, takes from four to five cars of paper a day, each car carrying about 25 tons. The Times stores four or five day's supply of paper, but it is well favored in this respect. Four days' supply represents a great deal of storage room. It would be the equivalent of an entire day's output of such a mill as Abitibi, the largest newsprint mill in the world.

The C. N. R. now runs a paper train westward over the Grand Trunk Western lines, touching Detroit, Chicago and points west that depend upon Canadian paper. Paper from many points in Quebec and Ottawa Valley is hurried to a meeting point at Belleville, Ontario, thence to be rushed at all speed to the American cities.

These paper trains, the one now in operation and the one projected, are significant developments in indicating the tremendous importance of the pulp and paper industry in Canada. The average investor in pulp and paper securities would be amazed to see a list of American newspapers that are dependent upon Canada for their supplies. The largest publications are on the list. One large New York paper takes the entire output of three large Canadian newsprint machines that are kept running day and night to feed its presses. A Chicago newspaper operates a complete unit in Canada's paper making industry to supply its needs, including timber limits in the Gaspe Peninsula, a fleet of boats to carry pulpwood, and a pulp and paper mill in the Niagara Peninsula. Another New York newspaper has invested heavily in one of the important paper mills of Quebec province and absorbs its entire output of paper.

Recovering Taxes on Income from Britain

People in Canada who derive incomes from the United Kingdom will be interested in the following provision of the Finance Bill of 1923-24, which has now become law:

(1) The standard rate of tax has been reduced to 4/6 in the pound.

(2) Claims can be made for three years back, but this limit will gradually be extended to six years. It will not be possible, however, to claim for years prior to 1920-21, the section not being retroactive.

(3) Income derived from the Irish Free State will be exempt from British Tax, but liable to Irish Income Tax, which is 5/- in the pound for 1923-24.

At least part of the income tax charge may be recovered. There are dividends which are marked free of tax and in some instances even no mention whatever of taxes made where they are paid to a local branch of a British company. In both cases the tax is recoverable.

VANCOUVER AS A GRAIN PORT

Vancouver—Vancouver will have shipped about 19,000,000 bushels of grain when the crop year 1922-23 draws to a close this summer, according to statistics issued by the Vancouver Merchants' Exchange.

Says Rich Men's Sons a Handicap to Business

Detailing a conversation with Charles W. Morse and his three sons in which he urged more speed in shipbuilding, Charles M. Schwab, before a Washington inquiry said he recommended "with considerable force" that Mr. Morse curtail the activities of his sons in the business.

"In all my experience," he said, "I have never found it wise to have my relatives in my business. I would never have any of them. I told Charles W. Morse he was making a mistake from the standpoint of efficiency in having his sons in there."

CHICOUTIMI'S NEW MILL NEXT YEAR

Project Not to Get Under Way During the Present Season

From Our Own Correspondent

MONTREAL.—No steps are likely to be taken by Chicoutimi Pulp and Paper Co. for the construction of a newsprint mill before next year. The company, which operates the largest groundwood pulp mill in the world, is running along on a very satisfactory basis now and is so improving its financial position that the providing of funds for the newsprint mill will be a much simplified problem when the projects goes ahead.

The daily production of groundwood is now 470 tons, most of which is sold under long term contracts to the Becker interests in England, at a price which allows a profit of $10 per ton above cost, including charges. The Saguenay Pulp and Power Company, which owns Chicoutimi, has a large outstanding short-term indebtedness and this is being paid off regularly. Each day out of the profits earned on that day's production a sum is set aside sufficient to meet each of the bond issues as they mature. In this way a total of $12.50 per ton is going to the funds for the redemption of the company's bonds and interest. Thus, as each month passes by the company approaches nearer the date where there will be no difficulty in financing a new development.

The Bay Sulphite Co., in which the Chicoutimi has a large stock interest, is also operating on a profitable basis at the present time. Its Chandler mill and its Port Alfred mill are operating satisfactorily and the product is marketed on a contract that provided for a profit of $17 per ton.

Very little progress is being made on the plan for a railway line to bring in pulpwood from the company's limits of the Peribonka River to Chicoutimi. It now seems possible that this project will be abandoned. A suggestion has been made that the construction of a flume to carry the wood over a gap of six miles would serve instead of the railway construction. This would not have the value a railway would have in opening up new country.

BETTER TIMES FOR BOOTH FISHERIES

Profit Shown for First Quarter of This Year as Against Record of Deficits

Booth Fisheries Company, with extensive interests in the United States and Canada, which since 1919 has been able to show only deficits as a result of operations, now seems to have made a fair recovery. For the four months ended April 28, 1923, the company reports net income of $86,545 after all interest and other charges and depreciation. For the year ended December 31, 1922, Booth returned a deficit of $977,090 after interest and depreciation, which compared with a deficit of $2,239,044 in 1921 and $1,056,051 in 1920.

In 1919 the company earned 35 cents a share for its common stock; in 1918 common share earnings were $1.89; and in 1917, $6.57. The management stated some time ago that the company's business was disorganized by the government's tremendous war-time purchases of dried and canned fish, which supplies were later dumped on the market again with the ending of hostilities, so that prices slumped drastically and operations at a profit were rendered impossible.

The company appears to be engaged in a line of business which does not lend itself readily to the corporate form of organization. It does the largest fish business in the country and its activities embrace practically all departments. Its losses after the war were enormous and wiped out a fair profit and loss surplus, substituting in its stead a deficit. It remains to be seen whether or not Booth will be able to continue operating at a profit, as it was able to do during the first four months of the current year. The common stock is now quoted at about $5 a share and is to be regarded as a very speculative issue, judging only by the company's past showing.

OUR TAXES DIRECTING ATTENTION TO THE NATIONAL DEBT

(Continued from page 1)

sidered as net. These, added to the net Dominion debt of $2,409,000,000, give a total net debt of $3,059,000,000, or $341 per head.

But Great Britain has great assets, for other governments alone owe her $7,000,000,000. She will not collect the whole of this, but it may be taken for granted that the final Reparations settlement will yield her an amount large enough to offset her debt to the United States, and it may also be assumed that all her loans to other governments will not be dead losses. Even on the assumption that Britain will not get out of the Reparations and other debts due her any more than 50 per cent. of what the Allied governments owe her, which certainly is a very liberal discount, it may be taken for granted that her net obligations per head are not more than double those of Canada.

In order that a fair comparison may be made between the debt of this country and that of the United States the matter must be approached in a different way. As in the Republic the state debts correspond to our provincial ones, they may be left out of account. The gross debts of the two countries may fairly be set against one another, for it cannot be said that the United States government with its Federal Reserve System, if nothing else, has no assets.

But the United States has also other great assets that must be taken into account in any serious effort to arrive at the facts of its debt situation. Against its $22,000,000,000 of gross debt must be set the $11,500,000,000 in the form of loans with accrued interest, due it by other governments. Of course the Republic will not collect all this, but she will get the greater part of it. Indeed, the British debt of $4,600.000,000 has already been funded, and on it payments are being made. At one stroke then the net debt of the United States may be reduced to $17,600,000,000, or $165 per head, as against Canada's $267. As Czecho-Slovakia and other countries are making arrangements to fund their debts to the United States, the $165 might well be reduced by $40 or $50. That is to say, the net debt per head of the United States may very fairly be put at hardly more than $125.

Consider the Facts

Making a conservative allowance for realizable assets, the situation briefly is this: The national debt of Great Britain per head is double that of Canada; while that of the United States is very little more than one-half that of Canada's. The only thing of account in the way of external assets that Canada can lay claim to is for reparations, her share being placed at $250,000,000; but by the time that the final terms of the settlement are reached this amount will be whittled away down. Even at $250,000,000 it is not much larger than the claim of the United States government for the maintenance of its army of occupation in Germany, the validity of which has been admitted by the allied governments.

These comparisons are not made for the purpose of making it appear that Canada is so badly off that she cannot recover. Their purpose is merely to disclose the facts. The trouble is that writers and speakers, in imagination, are continually putting against our national obligations the minerals we expect to mine, the wood we expect to cut and the grain we expect to raise. These may be potential assets, but they belong only to the future. They can't be included in the balance sheet of to-day, which is the very thing that Canadian business interests have to concern themselves with in meeting taxes.

Banks Getting Their Finances Ready To Move Big Wheat Crop

A reduction in current loans in Canada of $17,200,000 during June may be taken as an indication of the steps of the banks looking to the financing of the crop movement, rather than curtailment of industrial or commercial activities. The fact, however, that current loans are now about $52,000,000 less than they were a year ago would tend to indicate that there is room for further business development throughout the country. Other increases during the month of $4,700,000 in call loans abroad, and $2,350,000 in Canadian call loans, while commercial loans abroad increased nearly $3,300,000.

Although there was a decrease of $16,750,000 in savings deposits in Canada, there was an increase of over $9,000,000 in demand deposits and of more than $22,000,000 in foreign deposits. Circulation was increased by nearly $17,300,000. Following are comparative figures:

ASSETS

	June, 1923	May, 1923	Change	June, 1922	Change
Immediately Available Liquid Resources					
Specie	$ 71,228,368	$ 70,964,043	+ $ 264,325	$ 75,344,340	— $ 4,115,972
Dom. Notes ...	158,528,282	169,722,840	— 11,194,558	163,174,830	— 4,646,548
Gold Reserve ..	57,652,533	57,452,533	+ 200,000	53,752,533	+ 3,900,000
U. K. Banks ..	8,500,189	6,842,041	+ 1,658,148	8,902,667	— 402,478
Foreign Banks .	63,769,917	53,624,290	+ 10,145,627	127,345,479	— 63,575,562
Gov. Secs.	241,940,132	237,181,508	+ 4,758,624	191,107,742	+ 50,832,390
Call loans ab'o	219,607,375	214,916,288	+ 4,691,087	174,613,574	+ 44,993,801
	$ 821,226,796	$ 810,703,543	+ $10,523,253	$ 794,241,163	+ $26,985,633
Loans and Securities Other Than Those of Canadian Government					
Public Secs. .	$ 109,874,400	$ 108,883,991	+ $ 990,409	$ 86,020,175	+ $23,854,225
Railway Secs. .	51,354,548	51,267,211	+ 87,337	41,625,393	+ 9,729,155
Can. Call Loans	96,698,528	94,350,470	+ 2,348,058	99,804,892	— 3,106,364
Current Loans .	1,065,854,729	1,083,067,185	— 17,212,456	1,117,844,707	— 51,989,978
Loans Abroad ..	156,095,243	152,817,030	+ 3,278,213	148,225,105	+ 7,870,138
Prov. Loans ...	6,635,465	6,761,810	— 126,345	6,916,613	— 281,148
Municipal	82,159,781	78,824,482	+ 3,335,299	83,701,008	— 1,541,227
	$1,568,672,694	$1,575,972,179	— $ 7,299,485	$1,584,137,893	— $15,465,199
Other Assets					
Overdue Debts .	$ 7,226,753	$ 6,757,241	+ $ 469,512	$ 7,474,098	— $ 247,345
Real Estate ...	5,890,850	5,790,184	+ 100,666	4,849,346	+ 1,041,504
Mortgages	3,213,123	3,248,870	— 35,747	3,098,186	+ 114,937
Premises	69,797,951	69,663,106	+ 134,845	70,494,814	— 696,863
Lets. of Credit	17,727,666	19,220,153	— 1,492,487	18,350,332	— 622,666
Other Assets ..	4,356,286	5,610,043	— 1,253,757	3,765,915	+ 590,371
	$ 108,212,629	$ 110,289,597	— $ 2,076,968	$ 108,032,691	+ $ 179,938
Total	$2,498,112,119	$2,496,965,319	+ $ 1,146,800	$2,486,411,747	+ $11,700,372
Note Cir. Dep. .	6,527,732	6,454,339	+ 73,393	6,614,463	— 86,731
Int. Bank Bal. .	173,333,584	154,812,845	+ 18,520,739	150,474,564	+ 22,859,020
Gross	$2,677,973,435	$2,658,232,503	+ $19,740,932	$2,643,500,774	+ $34,472,661

LIABILITIES TO THE PUBLIC

	June, 1923	May, 1923	Change	June, 1922	Change
Liability to Government and Circulation					
Circulation . .	$ 174,658,110	$ 157,379,291	+ $17,278,818	$ 166,085,839	+ $ 8,572,271
Dom. Gov.	36,866,900	51,213,625	— 14,346,725	59,610,454	— 22,743,554
Prov. Gov.	32,990,420	35,087,665	— 2,097,245	29,414,114	+ 3,576,306
Demand Dep. ..	531,157,019	521,954,703	+ 9,202,316	505,757,856	+ 25,399,163
Savings	1,214,245,872	1,231,001,480	— 16,755,608	1,181,404,188	+ 32,841,684
Total	$1,745,402,891	$1,752,956,183	— $ 7,553,292	$1,687,162,044	+ $58,240,847
Foreign	335,712,207	313,544,813	+ 22,167,394	365,770,651	— 30,058,444
Due to Banks Abroad, Etc.					
U. Kingdom ...	$ 4,639,684	$ 4,716,421	— $ 76,737	$ 8,234,111	— $ 3,594,427
Foreign	31,649,388	33,455,964	— 1,806,576	27,259,468	+ 4,389,920
Bills Payable .	6,847,217	7,618,649	— 771,432	6,171,595	+ 675,622
Acceptances ...	17,727,666	19,220,153	— 1,492,487	18,350,332	— 622,666
Other Liab. ...	2,413,113	3,629,115	— 1,216,002	2,963,431	— 550,318
	$2,388,907,596	$2,378,821,879	+ $10,085,717	$2,371,022,039	+ $17,885,557
Loans to Banks .	3,000,000	....	+ 3,000,000	....	+ 3,000,000
Due Bet. Bks. .	16,443,547	10,554,274	+ 5,889,273	9,973,902	+ 6,469,645
Gross	$2,408,351,143	$2,389,376,153	+ $18,974,990	$2,380,995,941	+ $27,355,202

Quebec Power Company

Montreal, July 26th, 1923.

To the Holders of the Common Shares of
The Quebec Railway, Light, Heat & Power Company, Limited.

Gentlemen:

Quebec Power Company makes the following offer to all Holders of the Common shares of Quebec Railway, Light, Heat & Power Company, Limited, viz.:—

> Quebec Power Company will purchase and acquire the whole or any part of the Common shares of Quebec Railway, Light, Heat & Power Company, Limited, of an aggregate par value of ten million dollars ($10,000,000) by giving in exchange therefor Common shares of Quebec Power Company (of the par value of $100.00 each) on the basis of twenty-five dollars ($25.00) par value of such Common shares for each one hundred dollars ($100.00) par value of the Common shares of Quebec Railway, Light, Heat & Power Company, Limited. The Common shares so offered in exchange form part of an authorized issue of six million dollars ($6,000,000) of which one million six hundred thousand dollars ($1,600,000) have been issued and are presently outstanding.

This offer of exchange is open for acceptance until twelve o'clock noon (standard time) on Friday, the Twenty-eighth of September, 1923.

Reference is made to the enclosed letter of even date addressed to the Shareholders and Income Bondholders of Quebec Railway, Light, Heat & Power Company, Limited, for information with respect to the business and properties of Quebec Railway, Light, Heat & Power Company, Limited, and of Quebec Power Company.

Holders of the Common shares of Quebec Railway, Light, Heat & Power Company, Limited, desiring to accept the offer for exchange of securities as above made must deposit their certificates for such Common shares, duly endorsed in blank, with National Trust Company, Limited, 153 St. James Street, Montreal, prior to the time fixed for the expiry of such offer, and will receive in exchange therefor a receipt entitling the Depositor to receive a certificate or certificates for the Common shares of Quebec Power Company on the basis of the offer above referred to. Certificates for such Common shares will be issued and delivered as soon as reasonably possible, notice of which will be given to the Depositor by National Trust Company, Limited.

Very truly yours,
QUEBEC POWER COMPANY,
JULIAN C. SMITH,
President.

Montreal, July 26th, 1923.*

To the Holders of the Five Per Cent. Thirty-Year Income Bonds of
The Quebec Railway, Light, Heat & Power Company, Limited.

Gentlemen:

Quebec Power Company makes the following alternative offer to all Holders of the Five Per Cent. Thirty-Year Income Bonds (due 1951) of Quebec Railway, Light, Heat & Power Company, Limited, viz.:—

> Quebec Power Company will purchase and acquire the whole or any part of the Income Bonds of Quebec Railway, Light, Heat & Power Company, Limited, of the issue above mentioned, by giving in exchange therefor Seven Per Cent. Preference shares (of the par value of $100.00 each) of Quebec Power Company on the basis of thirty dollars ($30.00) par value of such Preference shares for each one hundred dollars ($100.00) par value of such Income Bonds. The Preference shares so offered in exchange form part of an authorized issue of four million dollars ($4,000,000) of which one million four hundred and ten thousand dollars ($1,410,000) have been issued and are presently outstanding:
>
> — or —
>
> At the option of the Holder, Quebec Power Company will pay twenty-seven dollars ($27.00) in cash for each one hundred dollars ($100.00) par value of such Income Bonds.

This offer of exchange or purchase is open for acceptance until twelve o'clock noon (standard time) on Friday, the Twenty-eighth of September, 1923.

Reference is made to the enclosed letter of even date addressed to the Shareholders and Income Bondholders of Quebec Railway, Light, Heat & Power Company, Limited, for information with respect to the business and properties of Quebec Railway, Light, Heat & Power Company, Limited, and of Quebec Power Company.

Reference is further made to the terms and provisions of a Trust Deed dated 11th August, 1921, securing the said Income Bonds and executed in favour of the Quebec Savings & Trust Company. By such Trust Deed the Income Bonds are secured by a hypothec, mortgage and pledge on all of the properties of the Company, real and personal, movable and immovable, rents, revenues, rights, claims, privileges and franchises, subject (save and except with reference to the stock of Quebec & Saguenay Railway Company and any lands which may be received by way of subsidies from the Government of the Province of Quebec arising out of the construction of the Quebec & Saguenay Railway, which said lands or proceeds of the sale thereof are to be conveyed, assigned and held by the Trustee as security for the said issue of Income Bonds) to the priorities, hypothecs, mortgages and charges securing all the Bonds of the Company outstanding or authorized at the date of the said Trust Deed and all Bonds of its subsidiaries outstanding or authorized and all Bonds that may be issued by the Company or its subsidiaries to retire or replace Bonds then outstanding or authorized, and subject further to the hypothec, mortgage and charge which may be created for the purpose of securing further Bonds of the Company which may be authorized and issued to a total additional amount of seven million five hundred thousand dollars ($7,500,000) par value.

Five per cent. Consolidated Gold Bonds of the Company have already been authorized to the extent of ten million dollars ($10,000,000) to be issued under and pursuant to the terms and conditions of a Trust Deed of Hypothec and Pledge in favour of Montreal Trust Company as Trustee, dated 15th December, 1909, and by a Supplementary Deed of Hypothec and Pledge in favor of the same Trustees, dated 23rd August, 1912. Of the Bonds so authorized nine million and eighty-nine thousand dollars ($9,089,000) aggregate par value have been issued and are presently outstanding and nine hundred and eleven thousand dollars ($911,000) par value are held in escrow to retire outstanding Bonds of Subsidiary Companies.

Of the Income Bonds above referred to three million three hundred and seven thousand two hundred dollars ($3,307,200) have been issued and are presently outstanding.

Interest on the Income Bonds is payable only as net earnings of the Company for each half year shall be sufficient to pay the same after provision has been made for the payment of interest and Sinking Fund requirements upon all of the outstanding Bonds of the Company or its subsidiaries and upon such further Bonds as may be created by the Company and issued up to a total amount of seven million five hundred thousand dollars ($7,500,000).

No interest has been paid by the Company on any of the Income Bonds since the date of their issue.

Consolidated Gold Bonds of the issue above referred to, and to an amount of two million five hundred thousand dollars ($2,500,000), have been recently issued and sold to provide the funds necessary for the payment of Bonds of Quebec, Montmorency & Charlevois Railway Company which fell due on the 1st June, 1923. Additional liability was also incurred to provide the funds necessary to complete such payment and to meet necessary expenditures in connection with the general operations of the Company and for improvements.

The offer presently made by Quebec Power Company has been decided upon after a careful examination of the properties of the Quebec Railway, Light, Heat & Power Company, Limited, and after consideration of its business, present and prospective. Holders of Income Bonds aggregating more than eighty per cent. of the par value of the Income Bonds issued and outstanding have already signified their desire to exchange their holdings for the Seven Per Cent. Preference Shares of the Quebec Power Company on the basis of the offer herein made.

It is anticipated that dividends on the Preference shares of Quebec Power Company will be earned and regularly paid.

Holders of Income Bonds desiring to accept the offer above mentioned for exchange of securities must deposit their Bonds with National Trust Company, Limited, 153 St. James Street, Montreal, prior to the time fixed for the expiry of such offer, and will receive in exchange therefor a receipt entitling the Depositor to receive a certificate or certificates for the Seven Per Cent. Preference Shares of Quebec Power Company on the basis of the offer above referred to. Certificates for such Preference shares will be issued and delivered as soon as reasonably possible, notice of which will be given to the Depositor by National Trust Company, Limited. When the option exercised is for payment in cash the Income Bonds must be similarly deposited with National Trust Company, Limited against receipt to be issued therefor, and payment of the appropriate amount will be made within a period of 30 days from the issue of such Deposit Receipt.

Very truly yours,
QUEBEC POWER COMPANY,
JULIAN C. SMITH,
President.

*NOTE.—Letter of July 26th, 1923, to which reference is made for information in respect to the business and properties of the Company, may be had on application to the Secretary of the Company, 611 Power Building, Montreal, Que., or at the Offices of the Company, Power Building, corner Crown and St. Joseph Streets, Quebec City, P. Q.

The Quebec Railway Light, Heat & Power Company, Limited

MONTREAL, 26th July, 1923.

To the Shareholders of
The Quebec Railway, Light, Heat & Power Co., Ltd.

Gentlemen:

Following various discussions a joint meeting of the Boards of Directors of the Quebec Railway, Light, Heat & Power Co., Limited and Quebec Power Company was held on Wednesday, July 18th.

At such meeting the proposal of Quebec Power Company to the Shareholders of your Company offering an exchange of shares, was submitted to your Board.

The main problem confronting the Directors of your Company is one involving the immediate provision of a very considerable sum of money to meet current liabilities and the further amounts which will be necessary to maintain, extend and develop the various properties. If the proposed plan is accepted and the two Companies are brought together upon the basis outlined in the circular, this problem will be solved and the necessary financing will be arranged on advantageous terms.

The alternative would be to arrange for independent financing which at best could only be carried out on very onerous terms.

A careful study of your Company's present situation makes it clear that its position would be improved if its operations were carried on under a system of co-ordinated direction allied to the Quebec Power Company, provided such alliance were effected on a satisfactory basis.

It is moreover clearly evident that only through such co-ordination of interests and the grouping together of the power resources of the two Companies, can the necessary economies of operation be brought about; provision made for the financial requirements of your Company and proper returns secured from the carrying on and the development of its business.

After due consideration of these facts, your Directors unanimously decided to advise the Shareholders that, in the opinion of their Directors, the best interests of the Shareholders would be served by their acceptance of the offer of the Quebec Power Company contained in a letter of even date issued by the Directors of that Company.

By Order and on Behalf of the Board,
JAMES WILSON, Secretary.

MINING NEWS FOR THE INVESTOR

BRITISH CAPITAL SHOWS INTEREST IN NOR. ONTARIO

Porcupine Goldfields Meeting in London—Canada Promising Field

At a meeting of the members of the Porcupine Goldfields Development and Finance Company, held in London recently, the Rt. Hon. Lord Gisborough pointed out that, while the development of the mineral resources of Canada has been making very rapid progress up to the present, British capital has taken a comparatively small part. Those who were chiefly interested in the formation of this company had long felt that Canada offered a most promising field for mining exploration and investment and that such opportunities could be best secured by a company formed for the purpose and having its own organization in Canada.

Lord Gisborough said that a large number of proposals had been placed before the company, many of which are being investigated by the company's technical staff. In view of the great activity in mining in British Columbia, notably in the Salmon River district, the company has arranged for its smelting geologist, Dr. Maclaren, to visit that district. Dr. Maclaren is now in British Columbia.

The Porcupine Goldfields Development and Finance Company has taken over the share capital of the British Porcupine Development Company. This company is now being liquidated and its assets, including approximately £28,000 cash and accounts receivable, will be taken over. The company will be entitled to options on a large number of shares in the Canadian Gold Mines Corporation and the right to develop and acquire six properties in the Porcupine district. The Canadian Gold Mines Corporation is developing the Rochester property, which adjoins the Hollinger and McIntyre mines. The possibilities of the properties under option are now being investigated and negotiations are in progress with a view to amalgamating one of these groups with an adjoining property. The consolidation will give the company an interest in a large block of ground in a very favorable situation also in proximity to the Hollinger mine.

Lord Gisborough explained that the company's chief line of action in the future would lie in acquiring an interest in properties which appear to have merit and in undertaking the development of properties where the prospects are sufficiently encouraging to warrant expenditure. The company has funds sufficient for a considerable amount of preliminary work and if business of any magnitude presents itself a call will be made on the shareholders. However, the chief object of the company will be to find opportunity for mining investment. The authorized capital is £1,000,000, divided into 1,000,000 shares of £1 each. There have been subscribed 300,000 shares, on 250,000 of which there has been called up five shillings and the remaining 50,000 shares are paid up in full.

TECK HUGHES

During the first six months of the current year the Teck-Hughes Mining Company is reported to have had an income of approximately $575,000, amounting to upwards of $95,000 every thirty days. The mill handled 18,630 tons of ore, or an average of a little over 100 tons of ore daily, and recovered about $30.15 from each ton of ore treated. This was the highest average yield from any gold mine in Canada during the period.

Mining Stock Quotations

Week Ending July 31

	High	Low	Close	Sales
Apex	3	—	—	1000
Beaver	33¾	33½	33¾	4185
Atlas	6	5½	5¾	7000
Baldwin	7½	5	7½	126400
Beatty	14	—	—	1500
Bidgood	9¾	8½	9⅜	96500
Buckingham	12¼	10¼	12¼	51000
Castle Trethewey	26	25½	25½	14000
Argonaut	86½	85	86	5250
Chaput Hughes	7	6½	7	8000
Coniagas	2.70	—	—	100
Columbus	12	11	11	3000
Cons. Smelters	25¾	25	25¾	502
Cons. W. Dome	27	26	27	30500
Clifton	18	17½	17½	56500
Col. Kirkl'nd	12	10	12	6500
Davidson Ex. Rights	6½	—	—	2000
Dome Mines	37.50	35	35.75	993
Dome Kirkl'nd	2½	—	—	3200
Gifford	½	—	—	5000
Gold Reef	2½	—	2½	27500
Goldale	54⅜	52	53	31600
Hattie	27	23¾	27¼	76000
Hollinger	12.15	11.00	11.80	4330
Hunton	9½	9	9½	28000
Keora	11	10	9½	18500
Keeley	1.70	1.69	1.69	2300
Kirkland Lake	34	—	—	3000
La Rose	32	—	32	2035
Lake Shore	3.40	3.33	3.39	3250
Lorrain	25	19¼	22½	165750
Montreal, Ont.	49	—	—	1000
McIntyre	17.30	16.65	16.75	3845
Mining Corp.	2.13	2.05	2.10	820
Moneta	20	19	19	36000
Newray	42¾	42	42½	43700
Nipissing	5.60	5.30	5.30	1545
Ophir	3	2¾	3	13000
Peters'n Lake	10	9⅞	9⅞	2700
Porcupine Crown	11	—	—	3200
Preston E. Dome	10⅞	10¾	10⅞	13000
Teck Hughes	1.31	1.20	1.22	52825
Timiskaming	37	—	37	500
Thompson Krist	4¾	4⅜	4⅜	12500
Trethewey	4½	4	4½	11500
Vac. Gas.	2⅞	2¾	2⅞	2500
Vickers	36	—	36	21800
Vipond Cons.	68	66	67	20000
Wakenda	5⅝	—	5⅝	5600
Wasapika	6½	6	6	11000
West Tree	9⅜	9	9	44900
Wettlaufer	8½	7½	6	6400
Wright Hargreaves	3.05	3.00	3.05	400
New York Prices				
Inter. Nickel, com.	13⅛	12	12	8500
McIntyre	16⅞	16⅛	16¼	1300

Rich Old B.C. Silver Mine Will be Reopened

The oldest mine in British Columbia, like the oldest mines in Ontario, those in the Rainy River district, is coming back to life—the B. C. mine, the Eureka-Victoria, near Hope. It was operated about 50 years ago and produced much bullion. Its history is interesting.

A tunnel was driven in the mountain side by the old timers on a rich silver vein and ore carrying high values was extracted. It was "mule-packed" down the Fraser River, shipped to Victoria, thence to San Francisco and finally to England. When the returns were received, amounting, it is said, to several hundreds of thousands of dollars, one of the owners went to Victoria to celebrate and never returned. The owners continued work for a time, but disagreements arose and the workings were deserted. Mr. Williamson states that the equipment has been found just as it was left, bunkhouse, cookhouse, rusted picks, shovels and drills and a dump of ore, not rich enough to pay for handling in the old days, but of value to-day. The tunnel timbers have rotted, of course, but with their renewal it will be possible to proceed with work where it was left off by the miners of the last century.

McIntyre Will Sink New Shaft From Surface Down 5,000 ft.

McIntyre has under consideration a move of momentous importance to mining in Northern Ontario and to Porcupine in particular. It is the sinking of a large new shaft from surface down 5,000 feet. McIntyre has now the deepest operation in the camp, just a little short of a half mile.

It is believed that the management is waiting for certain developments to be completed before reaching a decision in this matter. The site will likely be a considerable distance east by north of the present workings. The intruding snout of the porphyry bodies shorten up to the east as operations proceed at deeper levels. Under this intrusion is where McIntyre has been getting its rich ore. Here also at depth the veins are widening out, giving tremendous ore tonnages. It is the firm conviction of the McIntyre people that they will get wonderful ore at the deeper levels. They figure also that in approaching the eastern portion of their property they are nearing the zone of their greatest production and effort.

Another Drive on Lorraine Consolidated

It is generally believed that the stage is being set for another drive on Lorraine Consolidated. It is believed that the fact that power is available, along with an interesting report on surface conditions, will be the vehicles used to carry the market price of the issue up.

The report of Engineer Thurston, in charge of operations, follows:

"The big vein which outcrops, for several hundred feet from four inches to a foot in width on the hill above our Shaft No. 1 apparently intersects the vein on which the shaft is sunk, on the east, and in strike bears directly from shaft No. 2, which is south on the Belle Ellen vein on the western boundary of our ground, more than 1,000 ft. away. This vein can be cut in approximate 200 ft. from the foot of our shaft No. 1.

"There is in my mind no reasonable doubt of our being able to make as good a mine as any of our neighbors and I regret exceedingly being held up for the want of power even for the few days until the first of the month."

DEVELOPMENT SLOW ON MINES OF B.C.

Cost of Transportation an Important Factor on Portland Canal Properties

A feeling that too little development work has been done in British Columbia in general and the Portland Canal area in particular, was expressed by Malcolm Stobie, a prominent Toronto stock broker on his return from Western Canada this week. He went to British Columbia a month ago with H. S. Denny, a British mining engineer, and a party of mining officials.

He expressed keen regret at the lack of good transportation into the Portland Canal area, as supplies have to be taken by pack at a rate of 5 cents per pound. On the other hand, he commented on the saving in opening up properties owing to the mountainous formation making tunnelling possible.

The Premier mine, now producing $5,000,000 per annum in gold and silver, he regards as having a large body of high-grade ore. It now appears that this runs into the property of the B. C. Silver. Development work on the Indian mine is not yet far enough advanced to determine the value of its ore bodies. On the Big Missouri a large body of low-grade ore has been proved and those in charge are now seeking to uncover high-grade bodies.

McINTYRE'S GROSS OVER TWO MILLIONS

Mine Had Excellent Year Despite Curtailment Due to Power Shortage

McIntyre's gross earnings for the year ending June 30 was $2,249.742, which is materially higher than 1922, when the total was $1,937,105. These figures are encouraging when it is considered that the mine was handicapped for a considerable period early in the present calendar year by the power shortage. For a time the mill was practically shut down. For a considerable time production was around 40 per cent. of normal.

Cost, including development, totalled $1,335,218 compared with $1,242,537. Operating earnings therefore were $914,524 and together with non-operating revenues amounting to $57.320 this total was increased to $971,844. After deducting taxes for the period of $52.677 there remains net earnings before plant depreciation of $919,166 as compared with $564,806 at the end of the previous year.

Comparative figures for the two years were as follows:

	1923	1922
Gross recovery	$2,249,742	$1,937,105
Costs including development	1,325,218	1,242,537
Net operating earnings	914,524	694,569
Non-operating revenues	57,320	166,793
Total revenue	971,844	861,360
Deduction for taxes	52,677	52,422
Net earnings before plant depreciat'n	919,160	808,938

MINES BIG FACTOR IN PAYING DEBTS OF THE DOMINION

Estimated Resources Wealth Seventeen Billion Says U.S. Writer

Canada's national wealth is placed at $17,000,000,000 by an American writer in an article on Canadian statistics tending to show that U. S. investors are steadily favoring investment in the Dominion.

The New Liskeard Speaker wonders how any financiers are able to compute the national wealth of a country which is great in extent, and in which gold, silver and other minerals are being found in the least likely looking places. "However, it is good to know that Americans of wealth look upon Canada as a safe place in which to make investments, and it is up to the Government of the Dominion, and the governments of the provinces to so employ our wealth as not only to justify American confidence in our country, but also to utilize our natural resources as to enable us to wipe off the great debt we owe."

The Speaker goes on to deal with the mining progress, and says they are yearly returning a larger revenue and indications are that these mines are only at the beginning in the matte of yielding rich gold and silver ore. During the past ten days great discoveries in gold and silver have been made, and thousands of men are prospecting. If judiciously managed our mines alone will soon place Canada out of debt—that is if our various governments will but give the provinces, and the country as a whole, sane management.

On account of the low prices of farm produce, and the high price of farm labor, it does not appear that Canada can make much headway in paying off borrowed money from "the first six inches of the soil," as was suggested by a Canadian Finance Minister, but it does look as though we might pay off our debts by a judicious management of our mines, which, of course, belong to the people. Let every proper encouragement be given to those engaged in mining, and more especially to the toiling prospector, for, after all, he is the man who should be encouraged, for if the mine be found, it surely will be operated.

Some of the great mines of Temiskaming were opened and established under a government of which the present premier was a member, and for a time the head of the mining department. We are looking for generous consideration of the mining industry under the Ferguson Government, and hence we are also looking for great prosperity for the people of Northern Ontario, for if the mining industry be prosperous all other industry will be prosperous, and more particularly the agricultural industry, because we shall be able to sell our produce in the district.

LAKE SHORE

The income of the Lake Shore Mines Company for the six months ended June 30 is reported as being close to $300,000, made up of production of $288,074.50, plus exchange premium and interest.

The following is the production record by months during the half year just ended:

	1923	1922
Second Quarter		
Gross revenue	$3,404,819	$3,404,896
Operat. expenses	2,370,468	2,375,416
Net revenue	$1,034,351	$1,029,479
Fix. Cha's & taxes	596,480	597,808
Net income	$ 437,870	$ 431,671
Six Months		
Gross revenue	$7,045,975	$6,998,604
Operat. expenses	4,921,567	5,029,885
Net revenue	$2,124,407	$1,968,709
Fix. cha's & taxes	1,195,332	1,174,839
Net income	$ 929,074	$ 793,869

RULING PRICE OF SILVER AND OTHER METALS

	July 26	27	30	31
Silver—				
London (pence)	30⅞	30 13/16	30¾	30⅞
New York	63	62⅞	62½	62⅝
Copper	14⅝-¾	14⅝-¾	14⅝-¾	14⅝-¾
Lead	6¼	6½	6½	6¾
Zinc	6¼	6¼	6⅜	6⅜

OBJECT OF VISIT OF U.S. ENGINEERS

Will Familiarize Selves With Area Coming More Prominent Daily

The stage is practically set for the visit of the members of the American Institute of Mining and Metallurgy to Ontario and Quebec. The visitors will come to Toronto for Aug. 20 and then proceed to the various mining camps by special train. Later they will go to Quebec City, the asbestos mines and conclude with a business session at Montreal.

"The average man of the street if asked what minerals of commercial value were found anywhere near New York," Secretary F. F. Sharpless of the Institute said, "would probably answer, 'coal and possibly some iron.'

"It is scarcely realized by the average citizen that within 24 hours' ride from New York, just a short distance north of the Lakes, lie the deposits from which nearly all the nickel of the world comes from; then, on a little further to the northeast, the richest silver mines that the world has ever known are still producing; and then again a little further to the northwest we come to what promises to be one of the most interesting gold developments of the present century.

"The Hollinger mine is to-day probably the most important gold producing mine of the world. Near it are the highly profitable Dome and McIntyre mines. Then passing on to the east down into Quebec, there are the asbestos mines which are to-day furnishing the bulk of the asbestos being imported into this country.

"The Porcupine gold district and the country lying to the east of it are attracting considerable attention at present and the American engineers whose duty it is to advise in respect to them will take this opportunity to familiarize themselves a little further with the districts that are daily referred to in the public press."

CAPITAL COMING INTO NORTH NOW

Northerners are Becoming Optimistic as to Prospects for Development

COBALT.—The special dispatch to The Nugget from Haileybury—giving a few of the details respecting big construction work now under way in the north, or about to be commenced—lays bare the sober truth at last that capital has finally recognized the magnitude of the natural resources of the vastly rich areas of the eastern part of Northern Ontario, says the Cobalt Nugget.

Millions—multiplied millions—are no longer being sought. Industry is no longer crying out for financial assistance. Instead, big interests are pouring in their gold—whether it be in railway construction or in the development of great power plants, or in the search for still more precious metal.

Small armies of men are hewing their way this way and that, laying low right-of-ways for new railways through the virgin forests, clearing routes for big power transmission lines, opening new roads and new mines—blazing trails and building—building an empire.

Three big railway projects are being forced along as fast as humanly possible. The C. P. R. constructors are racing to fill their contract to have trains this fall at the new terminal at Des Quinze Dam. Unable to await the arrival of trains, the Northern Canada Power Company has launched its big project to harness Des Quinze Rapids, employing six hundred men and aiming to complete a first unit of 20,000 h.p. before the end of the coming year—and this as merely a first unit of what will probably be increased in due time to at least 60,000 h.p.

The Ontario government itself is building in two directions. The Temiskaming and Northern Ontario Railway is being extended steadily on toward tidewater on James Bay, while another government branch is being built from Swastika Lake through the gold fields of Kirkland Lake.

The Hollinger Consolidated, with a mine that now stands out as the world's greatest producer of gold, is actually aiming to double its capacity. In order to fortify its position in regard to power supply, the company recently let a contract to harness Island Falls on the Abitibi River and develop 20,000 hydro electric horsepower.

It is indeed the bald truth to say that possibly at no previous time in the world's history did the business of empire-building centre with such great intensity on any new section of country as that now actually in progress in our own great north.

Mining Hand-book of Canada For 1923

Copies of this little booklet, which gives valuable information concerning Northern Ontario's Mining Companies, can be obtained without charge by a postcard addressed to, or a call at the office of

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THE PORCUPINE GOLDFIELDS DEVELOPMENT AND FINANCE COMPANY LTD.

The Statutory meeting of the Porcupine Goldfields Development & Finance Company, Ltd., was held at River Plate House, London, E.C. 2, Eng., on Monday, July 16th, the Chairman, the Rt. Hon. Lord Gisborough, presiding.

The Secretary, having read the notice convening the meeting and the Auditors' report, the Chairman said:

Gentlemen, we are holding this first meeting of the Company to present to you the report and accounts made up in due form in accordance with the Companies Acts.

The authorized share capital of the Company is £1,000,000 divided into 1,000,000 shares of £1 each. There have been subscribed 300,000 shares on 250,000 of which there has been called up 5/- on account of each share and the remaining 50,000 shares have been paid up in full. You will see that there is a small amount outstanding in respect of the amount payable on allotment, most of which has since been received.

Payments in advance of calls have been received to the extent of £282. On the payments side of the Accounts you will notice the item of £50,000, being the proportion of the purchase consideration payable in cash according to the terms set out in the Prospectus to acquire the share capital of the British Porcupine Development Company, Ltd. The item "Underwriting Commission" does not call for comment. The preliminary expenses at £19,829 are slightly in excess of the amount estimated in the Prospectus.

"Loan against Security" represents a loan to the British Porcupine Development Co., Ltd., for the purpose of exercising an option on certain shares of the Canadian Gold Mines Corp., which will be handed over to the Company by the Liquidator of the British Porcupine Development Company, Ltd.

We have already made an investment in a property in Ontario under which the Company will obtain a share interest in return for expenditure on prospecting and development with the right eventually to subscribe for a large interest on very advantageous terms in the event of development being successful. This is regarded by the Company's engineers as a good development proposition. This property had previously been under consideration by the Companies interested in the formation of your Company and who have now taken up on the same terms as acquired by your Company, half of the interest purchased.

The remaining items do not appear to call for comment.

Although this is a purely formal meeting to comply with the requirements of the Companies Acts a few remarks on the objects of the Company and the nature of its business may not be out of place.

The development of the mineral resources of Canada has been making very rapid progress in which up to the present British capital has taken a comparatively small part.

Those who were chiefly interested in the formation of this Company have long felt that Canada offered a most promising field for mining exploration and investment and that such opportunities would be best secured by a company formed for this purpose and having its own organization in Canada.

We have been fortunate in securing the services of Mr. F. R. Weekes as our manager in Canada. Mr. Weekes is an engineer of wide experience who has been known to the Directors for many years and in whom we have complete confidence.

A large number of proposals for new business have been placed before the Company many of which are of considerable interest, and are being investigated by the Company's technical staff. In view of the great activity in mining in British Columbia, notably in the Salmon River district, the Company has arranged for its Consulting Geologist, Dr. Maclaren to visit this district. Dr. Maclaren is now in British Columbia and his report should be of the greatest value in dealing with any proposals arising from this quarter.

As set out in the Prospectus, the Company has taken over the share capital of the British Porcupine Development Company, Ltd. This company is now being liquidated, and its assets, including approximately £2[illegible]000 cash and accounts receivable, will be taken over by your Company. The taking over of these assets will entitle the Company, inter alia, to options on a large number of shares in the Canadian Gold Mines Corporation and the right to develop and acquire six properties in the Porcupine district.

The Canadian Gold Mines Corporation is developing the Rochester property which adjoins the Hollinger and McIntyre mines. Since the date of the prospectus the Canadian Gold Mines Corporation have continued to sink the Rochester Shaft preparatory to a crosscutting at a lower level and on June 30 had reached a depth of 410 feet.

The possibilities of the properties under option to this Company are now being investigated, and negotiations are in progress with a view to amalgamating one of these groups with an adjoining property. Such a consolidation would give the Company an interest in a large block of ground in a very favourable situation, also in proximity to the Hollinger Mine.

The development of another promising property in Ontario has already been referred to.

Our chief line of action in the future will lie in acquiring interests in properties which appear to have merit and in undertaking development on properties where the prospects are sufficiently encouraging to warrant expenditure of this kind.

In the selection of opportunities of this kind the Company will have the advice of experienced engineers and geologists. Our cash in hand and receivable should enable us to do a considerable amount of preliminary work and any proposals received will be submitted to the closest investigation so that the risk inherent in mining development may be reduced to a minimum.

You will, I know, wish to hear our intentions as regards calling up the balance of the capital of the Company and you may be assured that no call will be made unless it is in the interest of the shareholders to do so. As already pointed out the Company has funds sufficient for a considerable amount of preliminary work, but if business of any magnitude presents itself, a call will, of course, be necessary. It is the chief object of the Company to find opportunities for mining investment and you may be confident that no call will be made unless for the purpose of undertaking business which the Directors have satisfied themselves it is in the interest of the Company to take up.

I trust these few words have made the situation clear and if there are any questions which any shareholder would like to put, I will endeavour to answer them to the best of my ability.

No questions being asked, the proceedings terminated with a vote of thanks to the Chairman and Directors.

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EASTERN ENGINEERING

A comprehensive review of the financial and physical aspects of the Eastern Engineering Company (Attendu Engine) is being prepared by T. K. D., and when completed will be mailed on request.

In the meantime, we shall be pleased to review the prospects of the Eastern Engineering Company with anyone desiring to write or to make a personal call at this office.

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CAN HOLD CROP FOR FOOD DEBT

Important Case in Saskatchewan Decided Against the Union Bank

Decision has just been handed down by his Honor Judge Ross in the case of Fennell vs. Union Bank of Canada which was tried before him by consent. The only point involved was one of law as to whether or not a merchant under the Chattle Mortgage Act could take and validly enforce a mortgage for binder twine and food and supplies given as security for goods furnished the previous year on the current's year crop.

Judgment was in favor of the plaintiff.

The effect of this decision is that merchants who supply food, clothing, binder twine to purchasers can obtain prior security on this year's crop for such articles although furnished the previous year and their claim will have priority over all judgments, etc., with the exception of seed grain liens.

A. C. Stewart acted for the plaintiff and S. P. Peterson, of Canora, for the defendant.

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	July, 1923	Change	%
Montreal	$449,393,518+	$54,651,419	13.8
Toronto	415,990,043+	6,519,772	1.5
Hamilton	27,902,807+	2,097,452	8.1
Quebec	27,855,717+	2,038,990	7.8
Ottawa	27,729,368—	2,292,416	7.6
Windsor	15,826,630—	3,610,091	18.5
Halifax	14,079,388—	70,750	.5
London	13,295,834+	184,923	1.0
St. John	11,987,475—	1,290,188	9.7
Brantford	4,781,625—	242,042	4.8
Moncton	4,012,492—	1,789,737	30.8
Sherbrooke	3,809,692—	312,258	7.5
Peterboro'	3,271,652+	106,240	3.3
Total East	$1,019,936,241+	$55,941,314	5.8
Kingston	3,138,974		

WESTERN CITIES

	July, 1923	Change	%
Winnipeg	$156,337,723—	$ 7,718,018	4.7
Vancouver	65,512,426+	8,830,715	15.5
Edmonton	18,448,485+	1,350,121	7.9
Regina	13,803,514+	64,653	.4
Victoria	9,090,877—	1,548,605	14.5
Saskatoon	6,206,147—	766,849	10.9
Moose Jaw	5,770,423+	885,721	18.1
Ft. William	3,958,089+	591,936	17.5
Brandon	2,647,408+	86,567	3.3
New Westminster	2,595,458+	274,549	11.8
Prince Albert	1,300,203—	394,400	23.2
Medicine Hat	1,253,601—	38,117	2.9
Total West	$286,924,354+	$ 1,618,273	.6
Grand Total	$1,306,860,595+	$57,559,587	4.6

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	July 26, 1923	Change	%
Montreal	$ 95,494,506+	$11,497,218	13.6
Toronto	94,069,361+	4,492,588	5.0
Quebec	5,974,157+	881,714	17.3
Hamilton	5,934,197+	801,844	15.6
Ottawa	5,387,255—	190,026	3.4
Windsor	3,267,644—	1,046,484	24.2
Halifax	2,773,847+	75,936	2.8
St. John	2,567,319—	450,357	14.9
London	2,567,292+	25,992	1.0
Brantford	962,604—	99,455	9.3
Moncton	941,975—	461,491	3.2
Kitchener	922,340—	18,736	2.0
Sherbrooke	770,407+	26,515	3.5
Peterboro'	670,694+	52,147	8.4
Kingston	669,571+	65,731	1.1
Total East	$222,963,169+	$15,653,136	7.5

WESTERN CITIES

	July 26, 1923	Change	%
Winnipeg	$ 30,720,987—	$ 6,085,414	16.5
Vancouver	14,389,155+	472,152	3.4
Calgary	3,925,759—	45,228	1.1
Regina	3,308,032+	397,438	13.6
Edmonton	3,176,794—	564,885	15.1
Victoria	2,647,065—	301,462	10.2
Saskatoon	1,287,677—	331,659	20.4
Ft. William	961,960+	160,979	20.1
Moose Jaw	938,963—	5,891	.6
New Westminster	540,085—	18,029	3.2
Brandon	534,414—	17,043	3.1
Lethbridge	472,688+	22,790	5.0
Prince Albert	275,015—	24,330	8.1
Medicine Hat	257,261—	5,084	1.9
Total West	$63,435,855—	$ 6,345,666	9.1
Grand Total	$286,399,024+	$ 9,307,470	3.3
Year to date	$8,975,988,289—	$41,475,680	.4

NEWS OF THE BANKS AND BANKING

STANDARD BANK DECIDES TO FACE LOSS SUSTAINED

No Hidden Reserves, So "Show Window" is Altered

Agricultural and industrial losses sustained in the course of business and made evident by a continuance of depressed conditions, have been responsible for an adjustment in the finances of the Standard Bank, by which the reserves have been drawn upon to the extent of $2,250,000, of which $1,000,000 will be used to create a new contingent fund. There will still be reserves of $2,750,000 or nearly 70 per cent. of the paid-up capital of $4,000,000. The dividend will be reduced to 12 per cent. as a further precaution.

In addition to the losses in Western Canada, which the bank, in general with other banks, has suffered, two industrial accounts in particular have required drastic adjustment. In one case the bank decided that it was at least morally responsible for statements upon which a bond issue had been floated and assumed the total liability to the relief of investors. In another case, shares, which came into the bank's possession, have been greatly reduced in value because the experiences of the company in the automobile field. In both cases conditions in the future may improve the position of the bank, but it has been decided to write off the amounts now.

In adjusting these losses the point is made in banking circles that the Standard had to change its "show window" because it had no "hidden" reserves as in the case of some institutions. The adjustments made and the establishment of a substantial contingent account should not only mean that a sound position has been established but that every reasonable contingency in the future has been guarded against. The reserve fund is still substantial in proportion to the paid up capital and in addition to the contingent fund it is stated that the real estate is put in well below the market, and that $1,000,000 could be added here.

Following is the statement issued to the shareholders by the president, Wellington Francis:

Included in the assets of The Standard Bank of Canada at the end of its last financial year, January 31st, 1923, were certain investments and loans to customers involving important amounts which were the subject of constant review and were receiving the special attention of your directors. Provision was made at the time which was deemed adequate to cover any probable losses which might be met in connection with them. Continuation of the agricultural and business depression during the last six months has, however, so materially affected the operations and standing of certain of such borrowers and the value of such investments that it recently became clear to your directors that the reserve set aside to provide for prospective losses was now inadequate.

With realization of the extent of the losses incurred and in prospect and with the review of a statement prepared by the bank's auditor showing that the reserve fund had been impaired, your directors ordered a revaluation of the assets of the Bank. Such has been carried out by the present general manager, Mr. N. L. McLeod, the assistant general managers, Messrs. Stephens and Brown, and other executive officers of the Bank acting in conjunction with the bank's auditor, Mr. G. T. Clarkson. Full details of the examination have been submitted to and have been carefully considered by your directors who now take the earliest opportunity of acquainting you with the facts and the steps which have been taken to adjust the Bank's afairs in accordance therewith.

The principle of the revaluation adopted has been carried out after careful analysis of the financial status of the Bank's customers and borrowers. Included now in the assets are those loans which are regarded as of undoubted worth, for which there is believed to be ample security. As against loans in respect of which there is a possibility of loss, reserves of a substantial character have been provided; loans from which losses are expected have either been wholly written off or reduced to sound values. Each security comprising the Bank's investments has been revalued and the figures at which such investments stand are those which can now be realized for them.

It has been ascertained and it is the opinion of your directors, the officials of the Bank mentioned and of Mr. Clarkson, auditor of the bank, that the losses incurred and in prospect will absorb $1,250,000 of the present reserve fund of the Bank. While the application of this amount will provide for all known and expected losses it is the view of the directors and of the bank's auditor that a further sum of $1,000,000 should at this time also be taken from the reserve fund to establish a contingent fund for the purpose of meeting any unknown or future contingencies. It is desired, however, in this connection to emphasize the fact that the contingent fund now established is set up merely as a protection to the business of the Bank and not as a provision for any known or expected losses, as all such have been provided for.

With the adjustment mentioned the Bank will remain with its paid up capital of $4,000,000 intact, its reserve funds reduced from $5,000,000 to $2,750,000 (or about 70 per cent. of the paid up capital) and an inside contingent fund of $1,000,000.

The earnings of the Bank for the current year continue to be well maintained and there is no reason to expect any undue reduction in them. In view, however, of the circumstances disclosed herein it is the opinion of the directors that future dividends should be on a more conservative basis of 12 per cent. per annum and that if in the future any additional distributions of earnings should be deemed advisable they should be made in the form of bonuses declared from time to time.

Bank premises stand in the accounts at the net amount of $1,891,000, which is considerably less than cost, and substantially less than the present fair value thereof. All the bank premises are free from encumbrance.

While your directors greatly regret the necessity for taking what may be regarded by some as a more drastic action than is absolutely essential, they wish to state to the shareholders, depositors and customers of the Bank, that they felt it incumbent upon them to make the readjustment thorough and complete and such as will leave the Bank in an absolutely sound condition.

With all bad and doubtful debts provided for, and the assets of the Bank of the full value attributed to them; with paid up capital of $4,000,000, a reserve fund of $2,750,000, and a very substantial inside contingent account; with an earning capacity unimpaired and with well established branches and an organization comprising a large number of officials who have grown up with the Bank and whose experience is of great value to it, your directors know of no reason why it should not in the future experience an increasing and profitable business.

The annual report made public last February covering the fiscal year ending January 31st showed profits for the year ahead of the previous year, being $728,074, as against $725,014.

Of total assets of $78,719,264, liquid, or immediately available assets, amount to $32,107,431, being equal to approximately 48 per cent. of total liabilities to the public.

SECTION 88 OF BANK ACT AS FINALLY PASSED

Late Amendments Were Made in Upper Chamber

The fact that the amendments to the Bank Act particularly affecting Section 88 were subject to eleventh-hour changes in the Senate has led to some confusion. Following is the complete Section 88 as amended, together with Section 88a, covering the registration of lien:

1. The bank may lend money to any wholesale purchaser or shipper of or dealer in products of agriculture, the forest, quarry and mine, or the sea, lakes and rivers, or to any wholesale purchaser or shipper of or dealer in live stock or dead stock or the products thereof, upon the security of such products, or of such live stock or dead stock or the products thereof.
2. The bank may lend money to a farmer upon the security of his threshed grain grown upon the farm.
3. The bank may lend money to any person engaged in business as a wholesale manufacturer of any goods, wares and merchandise, upon the security of the goods, wares and merchandise manufactured by him, or procured for such manufacture.
4. If, with the consent of the bank, the products, goods, wares and merchandise, live stock or dead stock or the products thereof, upon the security of which money has been loaned under the authority of this section, are removed and other products, goods, wares and merchandise, live stock or dead stock or the products thereof of substantially the same character are respectively substituted therefore, then to the extent of the value of the products, goods, wares and merchandise, or live stock or dead stock or the products thereof so removed, the products, goods, wares and merchandise, live stock or dead stock or the products

(Continued on Page 16)

STANDARD BANK CHANGES

C. H. Easson, chief executive, of the Standard Bank of Canada, having elected to retire, N. L. McLeod has been appointed to the position of general manager of the bank, and Norman C. Stephens and G. N. Brown have been appointed assistant general managers. Mr. McLeod has been in the service of the bank for many years luring which time he occupied several positions of importance, including that of Western superintendent and later as an executive officer in the head office of the bank. Mr. Stephens has also served with the bank for a number of years during which time he was assistant manager of the Toronto office, manager of the foreign exchange department and later acting assistant general manager of the bank. Mr. Brown has been in the employ of the bank for fifteen years and has for the past few years been superintendent of eastern branches.

Exchange

NEW YORK FUNDS

	High	Low	—Last Year— High	Low
July 26	2 17-32	2 17-32	31-32	29-32
July 27	2½	2 13-32	7-8	13-16
July 28	2 7-16	2⅜	3-4	7-16
July 30	2 11-32	2¼	5-8	9-16
July 31	2¼	2 7-32	13-16	9-16
Aug. 1	2½	2⅜	9-16	½

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
July 26	4.59½	5.97½	4.44¼
July 27	4.58⅝	5.88	4.37
July 28	4.58 3-16	5.89	4.37
July 30	4.57⅛	5.89	4.34
July 31	4.57	5.83½	4.34¾
Aug. 1	4.56⅝	5.73¾	4.32¾

UNION PLANS TO ORGANIZE BANK WORKERS IN N.Y.

Banks Take Steps to Head off Movement—Not Like Trade

From Our Own Correspondent

NEW YORK.—While bankers apparently disagree as to the chance the American Federation of Labor has of succeeding in its intention of unionizing bank clerks, there is considerable perturbation here in banking circles regarding the new alignment of the Bookkeepers', Stenographers' and Accountants' Union with the Federation. Somewhat over a year ago the Bookkeepers', Stenographers' and Accountants' Union attempted to organize the New York bank clerks. The effort failed partly because it lacked the proper financial backing and partly because apparently the time was not ripe for any such move on the part of organized labor. But with the powerful American Federation of Labor behind it, as it now apparently is, the first of these difficulties has been removed. As to the second, even those local bankers who feel that the Federation has little or no chance of succeeding acknowledge that discontent among the employees of local banks has reached such a pitch that the organizers of the Bookkeepers', Stenographers' and Accountants' Union will meet with a more hearty reception from the bank clerks than they did a year ago. For these two reasons, the one financial and the other sentimental, there is no little concern being felt among bank officers over the announcement Ernest Bolm, secretary of the Bookkeepers', Stenographers' and Accountants' Union, issued recently regarding his intentions.

Evidence of the concern which local bank officers generally feel was given in the obviously inspired news items which appeared two weeks ago in all the New York newspapers stating that the New York banks had unanimously decided to increase the wages of upwards of 20,000 bank employees. This announcement, which was commented upon by your correspondent at the time, also said that it was the intention of the large New York banks to abandon the so-called "bonus system" and substitute for it a system of paying their employees somewhat like that now in use by the Canadian chartered banks. It also stated that the banks were considering the introduction of pension and group insurance schemes, the former modelled after the plans used by the Canadian banks and the latter after those in use by a number of big American industrial organizations.

A Strategic Move

While the rather obvious intention of this inspired announcement was to create the impression that the American banks had taken the steps indicated by this statement out of a pure desire to help their thousands of employees out of the difficulties facing them on account of the rapid rise in the cost of living during the past year and a half, it now begins to appear that their change of policy in regard to their system of remuneration for their clerical help may be regarded as almost entirely an attempt to spike the guns of the American Federation of Labor's organizers. The banks have known of the discontent among their employees for months back, but it was not until the Bookkeepers', Stenographers' and Accountants' Union organizers began to solicit their staffs to join the union ranks that hurried plans were laid which resulted in the announcement outlined above.

While the larger New York banks appear to be united in believing that the time has come for a change in their policy toward the question of their clerks' remuneration, there are only a relatively few that feel decidedly worried over the activities of the clerks' union organizers. Most of them appear to believe that the unions have very little chance of making any permanent progress. General conditions, the sceptics appear to think, are against the unions.

A Different Problem

"There is one thing you must remember in discussing this question of bank clerks' unions," the manager of the personnel department of one of the city's largest banks told THE FINANCIAL POST, "and that is that the organizers for the unions face an entirely different problem than they do, say, in the case of the steel workers. That one thing is that the average bank clerk's attitude toward his job is entirely different to that of the average steel worker. It is this difference of attitude that will make it impossible for the unionists to make much headway in the larger banks of the United States."

This banker told me that, in his experience, he had usually found that the bank clerk does not believe that he will always be a bank clerk. He sees over him men who began years ago in very humble capacities. He feels that what they have done he can do also.

Chance in Canada

Local Canadian bankers told THE FINANCIAL POST that, while efforts might possibly be made by the unions to organize the American members of the Canadian banks' staffs in New York, Chicago and some of the western cities, they did not think that much progress would be made if the attempt were extended to Canada. Here, largely on account of the peculiarities of the Canadian banking system, the union organizers would face an almost insuperable task. They felt that the loyalty of the average Canadian bank clerk was considerably greater than that of the American clerk. The Canadian felt that he was an embryo banker, not a bank clerk. He was in the position of a soldier in the ranks who carried in his knapsack a marshal's baton.

TO MOVE OR NOT TO MOVE

Is it good banking procedure to move managers frequently? Or better to allow them to remain in the same field? The question has recently been rather widely discussed in banking circles.

For the policy of making changes it is argued that the manager broadens his field of experience and thus is being developed for bigger fields. Mobility is an asset of the branch bank system.

On the other hand the changing of managers is very unsatisfactory to the customers of the branch banks. They resent having to get acquainted with a new manager and to explaining and arranging their affairs to suit him. Thus, in making changes the bank loses the good-will of the customers in addition to the actual loss in the value of the experience of the manager in the field in which he has been working. Then, too, there is the question of expense—it costs much more to move men now than it used to.

You managers are interested in this question. Your views as to the advantages and disadvantages of transfers would be valuable. Head office would like to know what you think. Communications will be treated as confidential.—J.W.T.

Must Use Special Stamps After Oct. 1st

Changes to be made effective October 1 next, according to latest advice cover the use of post office stamps for excise taxes in the following regulation:

"On and after October 1st next, postage stamps may not be used in payment of stamp tax on cheques, bills of exchange, drafts, promissory notes, bank statements for advances or overdrafts, receipts, stock or bond transfers, express money orders, travellers' cheques, matches or playing cards, that is, 'Excise Tax Stamps' only must be used for payment of the stamp tax in all such cases."

Hamilton

J. W. Paul, has been appointed manager of the Penticton branch of the Bank of Hamilton.

Commerce

The Forest branch of the Canadian Bank of Commerce, was recently opened for business with H. E. Tyler, formerly of Vancouver, in charge.

Montreal

S. F. Chamberlain, of the Lindsay branch of the Bank of Montreal, has been appointed accountant at the Hamilton branch.

George D. Brymer, whose death occurred recently at New Westminster, was first Bank of Montreal accountant in British Columbia, and for over a quarter of a century was manager of the New Westminster branch of the bank. Mr. Brymer retired from the bank's services in 1916.

Royal

George Kydd, whose death occurred last week at Westmount, was for several years manager of the Royal Bank. In 1882 Mr. Kydd entered the New York service of the Bank of British North America, remaining in the American metropolis for a decade. He then went to Nelson, B.C., where he opened a bank for the Royal Bank, and became its first manager. From there Mr. Kydd went to Ottawa as manager of the main Ottawa branch, and in November 1921, retired from the Westmount branch.

GEORGE DOUGLAS BRYMNER, who for years has been one of the leading bank managers on the Western coast, died recently in New Westminster, B.C. He was 65 years of age and was born at Melbourne, Quebec, on December 3, 1857. His parents were natives of Scotland, who came to Canada in that year. The father, Douglas Brymner, was Dominion Archivist from 1870 till his death in 1902. At the age of 17, Mr. Brymner joined the staff of the Bank of Montreal, with which he was associated until 1916. He started at Cornwall, Ont., went to Almonte, Stratford and then the Coast when the Vancouver branch opened. Later he went to New Westminster, later became manager and retained that post until death. For a time he was acting superintendent of British Columbia. For many years in the role of banker for the city he acted as financial advisor to the municipality. He was treasurer of the Royal Agricultural Society and ex-president of the Board of Trade.

Saskatchewan

Province of Saskatchewan 20 year 5% bonds due June 15, 1943.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, AUGUST 3, 1923

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

SAPIRO NO MAGICIAN

THE governments of the Western provinces having decided against the formation of a wheat pool—largely because practical, experienced wheat men could not be secured to risk their reputations in an experiment doomed to failure—a hurry up call has been sent to Aaron Sapiro, the organizer of the California fruit growers, by the West's newest association of legislation suggesters and a couple of publicity-seeking newspapers. Mr. Sapiro understands the value of organization in marketing. He should be able to give the Western grain growers valuable advice as to reducing costs if they will get together and follow his advice. But the evident expectation that Sapiro magic can be employed to control world wheat prices to the benefit of the Canadian farmer promises to lead to nothing but disappointment. Following is the opinion of an experienced Western wheat grower who has closely studied marketing problems in his own interests:

> Wheat is grown all over the known world. Marketing wheat cannot be controlled by any one country. Farmers never have held together solidly and there will always be competition.
>
> I believe in organizations and would support any such effort where there is a show for success, but the idea of controlling the wheat market is nothing but a myth.
>
> There is a difference between wheat and fruit. Wheat can be grown in all parts of the country whereas fruit can only be successfully produced in limited areas. This means that to organize, it is only necessary to get the fruit growers of a certain area together and control output to the requirements of the market. Everything can be handled from a centralized office and that office is posted as to the needs of every market opened for the sale of such fruit as is being offered. Only enough fruit is shipped to meet demand.
>
> But supposing the Alberta farmers form a wheat pool and say they will not sell at less than a certain price? The markets of the world wanting wheat will look to other countries and get all they want and tell us to eat our own wheat. When we want to sell we will have to take what we can get with a market supplied with wheat from other countries.
>
> No one more than I wants to see our wheat sell at prices that will pay us for the trouble of raising it, but I positively cannot see any hope of getting a cent more per bushel by attempting to bull the market in one locality with the world laughing at us for being such fools.

Co-operation in wheat marketing should be a good thing. But those who co-operate will have to look for benefits in reducing their marketing costs, rather than in an enhanced market price.

THE MANUFACTURER AND THE FARMER

A WESTERN newspaper commenting on some remarks which recently appeared in THE FINANCIAL POST of Toronto agrees that the Canadian Manufacturers' Association is to blame for a good deal of the distrust and ill-feeling which separates the members of that association from the farming community of the country. Reference is made to the address of the president of the association at its recent annual meeting, in the course of which members of the association were exhorted to make it their business to confer with farmers and cultivate friendliness; and to co-operate with them for the purpose of agreeing upon economic policies which will be of benefit to both agriculture and industry.

"It is probably true that the manufacturers have not been very zealous in the cultivation of friendly relations with the farming community," says the Halifax Herald, "but neither has the farming community, particularly that of the Western provinces, lost much sleep in cultivating the friendship of manufacturers; both have been holding aloof and both have been regarding one another as enemies." The Herald continues:

> But they are not wholly responsible for the sentiment that has prevailed. It is to a very considerable extent the product of political propaganda. On the one hand, Conservatives have usually espoused the defence of the manufacturing interests, while the Liberals have played to the free trade sentiment which is potent with the Western farmer. This has assisted materially in keeping the two interests separate.
>
> It is not too soon to adopt a policy of get-together. Both sides to the controversy are at fault. Both interests have their indiscreet advocates whose tongues wag too much. The bulk of the farmers and manufacturers are sensible people open to argument and amenable to reason; and we have always been of the opinion that one advantage of having farmer representation in parliament is that the men of the West are thus brought into contact with conditions that formerly were not well understood by them; and the representatives of manufacturing interests have opportunities of obtaining close-up understanding of Western views. The country can never make progress as a lop-sided nation; and the better we know one another and our respective policies the sooner differences will be ironed out and co-operation be possible.

A GOOD WORD FOR GAMBLING

SIR GEORGE PAISH, former editor of "The Statist" and British Government financial adviser in 1914-15, speaking at the Industrial League and Council week-end conference recently, said that the element of gambling in our nation had been probably one of the things that have made us the nation we are to-day. He thought this element was of extreme value. It meant that we as a nation were prepared to take greater risks than any other nation.

He believed that the cornering of commodities, although in itself immoral, had in some instances been useful. It had had the effect of bringing about an expansion of production and that had happened in the cornering of wheat.

TOO FEW MILLIONAIRES

SIR ALFRED MOND, Mond Nickel Co., speaking at a conference in England recently, stated that there was room for improvement in the capitalist system. He said: "The present industrial condition is not perfect. Many modifications are necessary. The millionaire is the tool to make hundreds of millions for other people. He is a person of utility; there are too few of him. We are suffering not from too much riches, but from too much poverty. That is why I am against people attacking the rich. It is by making people richer that you are going to make the world better. That can only be done by better production.

"The one good thing of socialist agitation is that it is making people search their minds and consciences. I am a mixture of the idealist and the realist, with a leaning towards idealism choked by a terribly practical brain."

SHOULD STANDARDIZE MUNICIPAL STATUTES

ONE of the weaknesses of municipal statistics as issued in Canada to-day is the lack of standardization. An item in the report of the treasurer of a Nova Scotia municipality is likely to represent something entirely different from a similarly described item in a British Columbia municipal report. This lack of standardization makes the municipal statistics issued to-day in Canada almost impossible of accurate comparison.

To the problem of the publication of municipal statistics for the benefit of investors, bond dealers and municipal students must be added this further problem of standardization. The problem is now much to the front; it is being widely discussed and some of the provinces are hastening to correct their incomplete records. Saskatchewan last year made progress in its municipal compilations and New Brunswick, which has lagged in the rear, is now working out improved methods. But such efforts should be co-ordinated to the end of making all the provincial reports of municipal finances comparable one with another. It would not be hard to accomplish. Let nine officials, one from each of the provinces, meet with a representative of the bond dealers and a representative of the Dominion Bureau of Statistics and the whole thing could be worked out. In the background is the weakness that the accounting systems of the different municipalities vary greatly. But once it is definitely established what the accounting systems should show, these can be arranged to provide the required results.

FARM PROBLEMS IN ENGLAND

AMERICAN agriculturalists are not alone in their difficult situation, declares "The Index" issued by the New York Trust Company. The British farmer is also facing difficulties and the British Government is confronted with the same task of affording relief for agriculture which has been undertaken by our own government.

Although the agricultural positions of the two countries are quite dissimilar the British farmers labor under certain difficulties which offset the advantage which a first glance would seem to assure them in selling in a home markets in competition with imported products bearing an overseas freight charge. Some of these disadvantages are the comparative lesser fertility of the soil, the system of tenant farming and the lack of the improved farming methods and machinery which have been so highly developed in North and South America.

Other handicaps are the short season in British farming and a lack of credit to enable the farmer to make the most of his opportunities.

It is to the latter phase that the British Government has been directing its relief efforts. An agricultural Credit Bill was recently passed by the House of Commons which would provide for advances to approved mortgages effected on agricultural land purchased by farmers while the government guarantee on cereal prices was in operation. The Bill also provides for the promotion of agricultural credit societies which would make loans to members.

At the present time long and short term agricultural credits in Great Britain are largely financed by banks in the form of overdrafts. This procedure insures to the borrower perfect secrecy, a point which has always been strongly insisted upon by British farmers.

In this country some criticism of new legislation for the farmers' benefit has been to the effect that what the farmer needs is not more credit, but better prices for his crops. If the British plan is made operative, it will afford an opportunity to judge whether such legislation will be more successful abroad.

EDITORIAL NOTES

THAT L. R. STEEL shareholders are better off now than before the crash, is the talk of a reorganization enthusiast at Fort William. Even so there is not much to encourage investors to put in more money.

* * * *

HON. J. A. ROBB has referred to the "Whisper of Death" editorial in the Montreal Star, "as nothing but the product of a midsummer night's dream — and its author is suffering from the heat."

* * * *

IS THERE a special automobile model designed for crooks exclusively? Reading the daily papers we find that all robbers use "high powered" cars, a type, which are never, evidently, driven by anyone else.

* * * *

WHY THE action of the Senate in suspending the construction of new National Railway lines in Western Canada should prove a new call to Sir Adam Beck to construct a radial line from Toronto to Niagara, is not clear, but it is sufficient excuse for the Toronto Globe, the St. Catharines Standard and the other Hydro organs.

* * * *

THE ELECTION results in Prince Edward Island indicate that, as elsewhere in Canada, there is a growing irritation against heavy taxes. It is difficult to reduce expenditures, but any government which wants to stay in power had better give the public evidence that it is at least trying to do so.

* * * *

IF SIR HENRY THORNTON believes that he can relieve the drain on the pockets of the Canadian taxpayer to meet railway deficits in three years' time there will be general agreement that he should be relieved of every handicap in the way of political or other interference until he has an opportunity of showing what he can do. Nothing promises to do more to improve general conditions in Canada than to close the transportation sink-hole.

* * * *

J. P. MORGAN is known to have said that sooner or later financial aid will be necessary for Germany. There is little doubt but that the "House of Morgan" will figure largely in any loan that may be eventually made to the former enemy. But it is equally known that such assistance will not be forthcoming until other vital matters are adjusted. Meanwhile, financial America, and the world for that matter, will continue to follow Mr. Morgan's movements while abroad.

Big Men in the Haunted Wood

The Junior Soviet Daily in Canada says THE POST is in a "Haunted Wood," in warning the university authorities, the students, and the parents, of the anti-British, anti-capital, anti-moral and anti-religious activities being carried on under various blinds which so misled workers, clergymen, and society women that they unwittingly become enthusiastic supporters. In the case of the primary schools, their doings have been so disgraceful that the police have intervened in several Canadian centres. Last week THE POST gave a glimpse of one of the young men, John Rothschild, who has been working among the college students, highbrows and society women. His work was referred to in these columns some months ago. Since then it became necessary for a committee of prominent citizens in the United States to warn college authorities and students of the history and character of the work this same young man and his friends are engaged in. Their exposure goes into much more detail than we have space for. Certainly no decent Canadian parents would knowingly permit their sons and daughters to be exposed to such evil influences which, as this memorandum shows, are advocated and practised by some of the young men and young women who are being sent among Canadian and U. S. students by Rothschild and his friends. For example, one group advocates absolute disobedience to parents. Another, that the students, boys and girls, should spend their vacations together in the wilds, in the nude, untrammelled by clothing or sexual restraint of any kind.

Here are the distinguished, representative and loyal Americans who are on the committee which has found it necessary in the national interest to expose Rothschild, his friends, and their work in the States, as THE POST has been doing in Canada:—

Elihu Root, (former Secretary of State) New York City.
Franklin MacVeagh, (former Secretary of the Treasury), Washington, D.C.
John Hays Hammond, (Publicist), New York City.
Oscar S. Straus, (former Ambassador to Turkey), New York City.
Morgan J. O'Brien, (former Judge New York Court of Appeals), New York City.
Lieut.-Col. Theodore Roosevelt, New York City.
Henry Wade Rogers, (Judge, U. S. Circuit Court of Appeals), New York City.
Nicholas Murray Butler, (President, Columbia University), New York City.
Robert M. Thompson, (President, American Olympic Association), Washington, D.C.
Washington, D.C.
Jeremiah W. Jenks, (Political Economist), New York City.
Talcott Williams, LL.D. (Professor Emeritus, School of Journalism, Columbia University), New York City.
Wheeler P. Bloodgood, (Attorney), Milwaukee, Wis.
William R. Wilcox, (former Chairman, New York Public Utilities Commission), New York City.
Nicholas F. Brady, (President New York Edison Co.), New York City.
George B. Cortelyou, (President, Consolidated Gas Co.), New York City.
T. Coleman du Pont, (Chairman Executive Committee Equitable Office Building Corp.), New York City.
Otto M. Eidlitz, (Building Trades Employers' Association), New York City.
Marshall Field, (Banker), New York City.
Haley Fiske, (President, Metropolitan Life Insurance Co.), New York City.
Edward K. Hall, (Vice-president American Telephone and Telegraph Co.), New York City.
Elon H. Hooker, (President Hooker Electrochemical Co.), New York City.
Samuel Mather, (Pickands, Mather & Co.), Cleveland, Ohio.
Ogden L. Mills, (Director International Paper Co.), New York City.
George M. Reynolds, (Chairman of the Board, Continental and Commercial National Bank), Chicago, Ill.
A. H. Smith, (President New York Central Lines), New York City.
Daniel Willard, (President Baltimore and Ohio Railroad Co.), Baltimore, Md.
James Duncan, (President Granite Cutters' International Association of America), Quincy, Mass.
Samuel Gompers, (President American Federation of Labor), Washington, D.C.
Timothy Healy, (President International Brotherhood of Stationary Firemen), New York City.
W. G. Lee, (President Brotherhood Railroad Trainmen), Cleveland, Ohio.
William D. Mahon, (President Amalgamated Association of Street Railway Employees of America), Detroit, Michigan.
T. V. O'Connor, (Honorary President International Longshoremen's Association, Buffalo, N.Y.
David B. Robertson, (President Brotherhood of Locomotive Firemen and Enginemen), Cleveland, Ohio.
L. E. Sheppard, (President Order of Railway Conductors of America), Cedar Rapids, Iowa.
Warren S. Stone, (Grand Chief International Brotherhood of Locomotive Engineers), Cleveland, Ohio.
Daniel J. Tobin, (President International Brotherhood of Teamsters), Indianapolis, Ind.
Joseph F. Valentine, (President International Molders' Union of North America), Cincinnati, Ohio.
John A. Voll, (President Glass Bottle Blowers' Association of the U. S. and Canada), Philadelphia, Pa.
Matthew Woll, (President International Photo Engravers' Union), Chicago, Ill.

It will be noted that these men are all leaders in their respective fields.

The Star pretends not to see the interest of THE POST in this question. THE POST specializes on news for Canadian investments—the savings of individual Canadians, whether they are put in their own business or invested in large corporations. Canadian finance and business have been suffering for years, but particularly since the war, from misunderstanding and antagonism and the development of Canada has suffered from the setting up of class against class, religion against religion, section against section, and this has been caused almost entirely by foreign agitation. Go among the trade unions and you will find that the great mass of agitators are not of Canadian birth. Many of our strikes have been caused by foreign leadership or through foreign dictation. In the last few years special efforts have been made to reach the clergy, the students and the boys and girls of the schools. There is a tremendous campaign of this kind going on. It is mainly directed towards creating prejudice against capital. The agitation work has been so glaring in a number of instances that the Dominion police have had to close the schools.

Two new ideals have been strongly instilled into the minds of the girls and boys—disobedience to their parents and authority; and the absence of any moral control in the relations between the young men and women. A clergyman, whose work brought him into close contact with this in Ontario and Western Canada, says that it is appalling to think what conditions will be in Canada when these young people come into the life of the country five or ten years hence. The United States points out that some of the students, to find whom John Rothschild and young Mr. Pratt hand-picked Europe to visit Canadian colleges, are on record as advocating these very theories and policies.

The American committee, in referring to the publication being distributed in the United States and Canadian colleges by these people, says:

Foreword

> To lay down an entire barrage on a corporal's guard may look like a wanton waste of good ammunition; and so it would be if the corporal's guard were not the bearers of a serious infection with ultimate potency to poison a whole army corps.
>
> The Youth Movement and the Student Forum Movement look like mere ebullitions of a juvenile spirit momentarily boiling over. Taken by themselves, they are of little moment and might be classed with the measles which are pretty sure to break out during childhood and then disappear. But the fact is, these are only the eruptions on the surface which indicate a diseased condition within.
>
> It is only because The National Civic Federation's Department on Revolutionary Movements has had wide experience in diagnosing the symptoms of radicalism that it concerns itself at all with a gesture which, to the casual observer would appear to be of a merely ephemeral character. It has pursued the radical microbe to various lairs during the past few years and found that there are many dens where it seeks refuge, sometimes in the most surprising places. The danger is that, if le alone and not hunted out, there is likely to be a serious invasion of healthy tissue leading to a cancerous growth in time.
>
> The character of the National Student Forum, which is now introducing the European Youth Movement into our American colleagues, is indicated by the March 24th number of "The New Student," its official organ. This number is typical and discloses the basic policies of the organization with its wide radical sympathies. Even a cursory reading shows its affiliation with the international revolutionary movement of the so-called intellectuals.
>
> The leading article is signed by Henri Barbusse, editor of "Clarté," which is the organ of the "intellectual" branch of the Communist Internationale launched by "Moscow" and its friends just after the war. At one moment there was hesitation about continuing the "Clarté" organization along communist lines but it has recently taken a turn still further to the left and is now in thorough and open co-operation with the communists. Barbusse is the author of "Le Feu," perhaps the most revolutionary pacifist pamphlet ever written, and a work of high literary merit, which makes it all the more dangerous. He is equally radical in sex questions and his book "L'Enfer" is largely untranslatable. The most revolutionary French communists are intellectuals and members of the "Clarté" group.
>
> Barbusse's article in "The New Student," which is addressed "To the Students of America," is an argument by the hand of a skilled casuist and expert writer, very difficult for the average college student to combat or analyze. It advocates "substituting a rational plan and moral idea for the social system actually in existence" and contains language as violently destructive as can be found anywhere. The present society, Barbusse declares, represents no progress whatever; it is the rule not merely of the strongest but of "the most malign."
>
> It is curious to see this professedly pacifist college journal admitting to its first page an article by an officer of a German student organization, which breathes anything but a pacifist spirit toward the occupation of the Ruhr by the French, and is in thorough sympathy with the Teutonic resistance to this "Gallic baseness" and "brutality." Now, pacifism should preach non-resistance and, according to this doctrine, the German people should have received the French with open arms and a hearty accolade. We wonder if, under the pacifism of "The New Student," there is not latent an anti-Gallic and pro-German spirit.
>
> The leading editorial is a quotation from "The Amherst Student" and it would be worth while to quote the main paragraph which constitutes more than half the article. It begins as follows:
>
> "It is easy for the supporters of tradition to find instances of the movement away from the standards of the recent past. The overthrow of the Russian political machine and the German autocracy, the lessening of the 'white supremacy' through the rise of the Turk, and the general increase of the power and culture of the yellow races, the growing recognition of the rights of the laboring classes and the questioning of the social justice of the institution of private property, the dissolution of interest in organized religion and the discarding of the established forms of art, literature and the drama are but a few that might be pointed out."
>
> This is followed by a sentence to justify the writer in leaning towards the defense of all the tendencies just referred to. He says:
>
> "But an examination of these same facts from another point of view, such as that taken by the restless pioneers in the movement, reveals a conscious purpose in each example."
>
> The writer proceeds then to a defense of the new tendencies, which he has thus practically made his own:
>
> "The destruction of the Russian and German governments is aimed to promote popular control for the popular good. The spread of civilization to backward countries raises the general cultural level and supposedly advances human happiness and prosperity. The recognition of the laboring classes furthers the American doctrine of equality of opportunity and the sovereignty of the interest of society over the interest of the individual. The religious expressions and the artistic forms must give way to a more adequate expression of the spirit of this age."
>
> This writer has thus found, by a slightly roundabout verbal trick, the means of defending the victory of the Turkish over the White civilization, the existence of the Bolshevist Government in Russia, the questioning of the institution of private property, and the dissolution of interest in organized religion.
>
> It is very evident that this Youth Movement is not to be taken by itself but must be weighed with radicalism in general. Nowhere is radicalism more dangerous than when its advocates seek to propagate it among the young. Someone has said: **"Let me educate the young and I will determine the future of mankind."** To corrupt the young is to jeopardize the future of mankind. It is for this reason that the movement should be taken seriously and that the Civic Federation's Department on Revolutionary Movements has called attention to this latest attempt to spread the Red poison throughout our colleges by means of the National Student Forum and the importation of the Youth Movement from Europe.

The Abyss of Communism

From an address, "The Sovereign Citizen," by the Hon. Floyd Thompson, Chief Justice of the Supreme Court of Illinois:

The most insidious enemy of organized government is paternalism. Government aid is a tempting bait and many time-proven fundamental rights have been bartered for a paltry helping from the Government pork barrel. Billions of dollars are expended every year in this country in an attempt by the Government to do for the people what they could infinitely better do for themselves. The parlour Bolsheviki want to regulate our birth, supervise our schooling, censor our recreation, limit the hours of our work and our play, and approve our burial. The individual is to be destroyed. Let us not deceive ourselves. We are plunging headlong into the abyss of Communism. Private business is stifled by Government red-tape, and the individual citizen needs to carry a library with him to enable him to keep out of gaol.

Government job-holders are stepping on each other's heels and new jobs are being created daily. Illinois has seventy-five rabbit shepherds and fish nurses that cost $100,000 a year doing work that could much better be done by the local sheriff. We have forty fire prevention inspectors costing $75,000 a year, thirty factory inspectors costing $60,000 a year, seventy-five food inspectors costing $125,000 a year, and twenty-five automobile investigators costing $40,000 a year, all doing work that properly belongs to our police and fire departments, and that could be done without a cent of additional expense to the people of the State. Add to these an army of State bond-issue-road attorneys, inheritance tax attorneys and inspectors, blue sky and prohibition attorneys, all on the payroll of the State for the avowed purpose of doing what very naturally and properly could and ought to be done by the several State's attorneys, and which would be done by them without a cent of additional expense to the people in every county outside of Cook. Add to these the army of 500,000 federal censors and inspectors and investigators and regulators, and you begin to see to what tremendous proportions the mania for attending to other people's business has already grown.

Tremendous as is the cost in millions and millions of treasure spent to maintain this hundred-headed bureaucratic monster, it does not compare with the cost in priceless fundamental principles destroyed.

Americans, you must pull yourselves together! Awake from your lethargy and defend your liberties against this octopus of paternalism, or it will suck the very life-blood of the nation!

PERSONALS

SIR ARTHUR BALFOUR, president of the Associated Chambers of Commerce of the United Kingdom, is in Montreal this week and will later visit Toronto. Sir Arthur is head of a large steel firm in Sheffield, which has branch offices carrying stores in this country. He is one of the outstanding industrial figures of the Old Country, and his public spirited services in commercial spheres were recently recognized by the bestowal of a knighthood.

GEORGE D. PERRY, who has resigned as general manager of the Canadian National Telegraph Company—formerly the Great North Western—was also vice-president of the organization since 1921. Mr. Perry is a native of Whitby, Ont., and started his business career with the Standard Bank in Toronto. He was later cashier of the Credit Valley Railway Company and then joined the Dominion Telegraph Company with which he was connected until its lines were leased by the Great North Western in 1881. He was successively accountant, secretary and auditor, until in 1911, he succeeded I. McMichael as general manager. His other connections include the presidency of the Dominion Messenger and Signal Company, vice-presidency of the Toronto Carpet Manufacturing Company, and directorships of the Barrymore Cloth, Canadian Woollens, Dominion Linens and Flax Spinners. Mr. Perry expects to remain in Toronto and will probably be succeeded by G. C. Jones of Montreal, now the assistant general manager.

What are
YOUR SECURITIES WORTH?

A periodical review of all investment holdings is highly desirable. It may enable the investor to take advantage of an unusually favorable market for the sale of some securities and, moreover, it affords a protection in cases where declines appear to be indicated. Many estates, institutions and private investors make it a practice to have their holdings valued frequently.

We shall be glad at all times to make valuations for any holder of securities, without obligation, or to make suggestions as to the betterment of holdings by purchases, sales, or exchanges.

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INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three cent stamp should be enclosed to cover a direct reply.

NORTH COLONIAL

J. W., Sherbrooke.—Will you kindly give me your opinion regarding the North Colonial Gold Mines, as to whether or not you consider it a good proposition.

North Colonial Gold Mines was an old producing property in the early mining days of Rainy River district. Mining methods were crude as compared with the present and only the high-grade ore was profitable. Ore which at that time was of no value because of high costs and lack of proper recovery methods gives a good profit to-day. The North Colonial has some of this ore. Development work may reveal more. It is a speculation.

BELGO-CANADIAN

G. H., Saskatchewan.—I would like your opinion with regard to the purchase of some 1st mortgage 20-year 6% sinking fund gold bonds of the Belgo Canadian Paper Company, new issue maturing 1943 at 99. Would you consider these bonds an absolutely safe investment? Its past records appear to be satisfactory but under present reorganization the capitalization is considerably increased. Your opinion would be greatly appreciated with regard to the soundness of this company from an investment point of view.

Industrial bonds cannot be classed as absolutely safe investments owing to the changing conditions of business. However, the first mortgage bonds of the Belgo-Canadian Paper Company stand very high. The bonds are issued as part of a reorganization scheme, taking over the Belgo Paper Co. The former company has been efficiently managed for many years and the same officers are in control of the new company. The bonds are secured by a first mortgage, which appears adequate, and a sinking fund will be built up to retire them.

SIMPLIFIED ACCOUNTING

Reader, Wyoming.—I would like a report as to the advisability of purchasing the 7% first floating mortgage royalty bonds of Simplified Accounting Systems, being sold by Sterling Bond Corporation. Ald. W. H. Shaw of Toronto is the president, and A. R. Malton of the "Globe" vice-president.

This company is making and selling an accounting system to business men which is simple and makes provision for determining the taxes payable, such as those for income, business profits, etc. The men behind it are reliable and the system is reported to be a good one. However, there are a number on the market and the success of this one depends on the sales and organizing ability of the promoters. Such a bond would not be regarded as a high-class investment.

NEW YORK RECIPROCAL UNDERWRITERS

F. C., Toronto—Will you please let me have any information you can give me as to the stability and financial responsibility of the New York Reciprocal Underwriters.

The New York Reciprocal Underwriters is registered in the Dominion Department of Insurance and appears to be operating on a sound basis. It was organized in 1891 and at the end of 1921 had 63 subscribers, assets of $2,927,408, and liabilities of $777,436, leaving a surplus of $2,150,317.

The operations of the association indicate a careful selection of risks as only sprinklered buildings are carried, after thorough investigation. Tariff rates are charged, and they have built up a substantial reserve in addition to paying good dividends. The men in charge have had wide experience and a good reputation in insurance circles.

NATIONAL STEEL CAR

C. W., Elizabeth.—In a recent issue of THE FINANCIAL POST mention is made of the earnings of National Steel Car. Please inform me if the National Steel Car is a competitor of the Canadian Car & Foundry, also how it compares from an investment standpoint with it.

The National Steel Car Corporation is in the same business as the Canadian Car & Foundry in some lines. The National Steel Car has also received orders for railroad equipment and these include 250 box cars for the Canadian National Railways of the same size as those of the Canadian Car & Foundry Company. The National Steel Car Corporation is also the manufacturer of a motor truck and during the past few years this part of the business has been the most important. This is due to the lack of equipment buying by railroads.

In considering National Steel Car you must remember that the company was entirely reorganized about two years ago and the shareholders of the old company received only a small proportion of the stock in the new company.

KIRK GOLD MINES

A. B. C., Kingston.—I shall be obliged if you will kindly give me any information you can on Kirk Gold Mines.

Kirk Gold Mines have three properties, two in Algoma and one in Kirkland Lake. So far all work has been on the Algoma holdings and on one property there was a complete plant including a mill. On the Bass Lake property there is a compressor, boiler, hoist, etc., and this is now being moved into Kirkland Lake. The company holds 130 acres east of the Queen Lebel and adjoining King Kirkland, now being operated by the Tonopah Co. of Nevada. The shareholders have been insistent in their demand that the company should start operations on the Kirkland Lake property and this action is now being taken. While the property plant, etc., are all clear of debt, the company will need funds to carry on and it is believed that a better price can be received and at less cost by operating in the producing area than in the other areas where they have been going it alone. Good showings are said to have been encountered on the Kirkand Lake property and if this develops well the profits might be used to bring along the other promising holdings.

CANADIAN CAR

C. T., New Jersey.—In consideration of the large business of the Canadian Car & Foundry Co.,—twenty million dollars—this season, when is it expected that the dividends will be resumed on the preferred stock?

Canadian Car & Foundry Company has participated in the large orders for railway equipment that have been given by the two big railway lines in Canada. For instance, a recent order was for 750 box cars of 50 tons capacity for the Canadian National Railway. There is a strong opinion in investment circles that these orders will be sufficiently profitable to make it possible for the company to resume its dividends on the preferred stock. This accounts for the considerable rise in the market value of the stock which is now selling at 74 approximately as against a low of 46 in 1922. At the same time we would think that the investor should consider the fact that in each of the years 1920, 1921 and 1922 the company had a deficit after payment of such dividends as were disbursed and it might be considered advisable by the directors to build up working capital account to some degree before paying out further dividends. In view of the lack of official information from the company as to the real extent of its orders and the lack of any suggestion as to the possible dividend policy we are unable to go further in stating what is likely to be done.

MINING CORPORATION

F. R., Quebec.—I should take it a great favor if you would kindly advise me on the following matter: I hold 200 shares of Mining Corporation of Canada, which I bought some time ago in England at $3 per share. Just before leaving England I was advised to get rid of them as they were bound to drop but after reading THE FINANCIAL POST of July 13th I am inclined to hold.

Mining Corporation is one of the largest operating companies in Northern Ontario. Its extensive holdings in Cobalt are steadily nearing the exhaustion point. The company is also operating the Peterson Lake and a couple of other small properties of promise in the Cobalt on a royalty basis. The real future of the company is in South Lorraine. The Mining Corporation has over 400 acres in the camp and is steadily increasing its production. Recently the Lorraine output proved equal to that of its Cobalt properties. The Mining Corporation also owns the Flin Flon copper property in Northern Manitoba, declared by some authorities to be the largest and richest copper deposit in the world, and has a promising prospect in the Lightning River gold camp as well as a gold mine in Russia. Mining Corporation is a speculation of great promise. It will take some time to get back on a dividend basis because of the tremendous outlays made for properties. It is skilfully managed and has an excellent mining plant at Cobalt for the treatment and refining of its ore, besides doing considerable custom milling. The stock is now selling around $2. On April 1 it sold at $3.50 a share. Of course, the price of silver is an important factor in the earnings of the company.

DURANT MOTORS

E. M., Vancouver.—Will you please give me what information you can about the Durant Motors, and Durant Corporation, both Canadian and American organizations.

Canadian Durant is now selling around $8 to $9. U. S. Durant is selling $48 to $48.50. Stock selling in Canada is reported as closed. Stock sales in the U. S. continue, although reports from New York are to the effect that since the security market took such a tremendous drop salesmen are experiencing great difficulty in making sales. In the market decline Durant stock, which early in the spring was selling at $70, dropped to the present level. The Canadian stock was selling around $11; it dropped to below $7 and then made a slight recovery.

Financial critics in the U. S. have been severe on the Durant scheme. Despite this fact it has met with considerable success. In Canada the company has been turning out cars on a large scale at its Leaside plant. Sales campaigns have been successful. The 1922 report of the company credited the year's operations with a profit of $85,627, but this did not allow for plant depreciation. The year's income was $3,782,000. The assets were given as $2,363,000. Cost of stock selling is noted at $556,096 but it was stated that the premium on the stock accounted for all but $54,949.

The chief criticism of the Durant organizations is that Durant, with very little capital investment on his own part, puts himself in the position to control the holdings of many thousands. Durant has the reputation of being a plunger; many of his ventures have proven amazingly successful. His projects have a speculative attraction.

A WELL BALANCED LIST

A Nova Scotian.—I would like your advise on the following investments: $8,000 Victory bonds; $2,000 Province of Nova Scotia bonds; $2,000 Brandram Henderson 6% bonds, due 1939; $200 Windsor Hotel bonds; $1,000 Provincial Paper preferred; $2,000 English Electric; $2,500 Montreal Tramways 5% mortgage; $3,000 Jamaica Public Service; $1,000 Southern Canada Power preferred, $1,000 Trinidad Con. Telephone, 6% bonds; $500 Maritime Telephone, 6% bonds; 10 shares Bell Telephone bought at 120½.

This can be regarded as a list of investments much better than the average as regards both diversification and selection. The holding of Victory bonds is a good foundation and together with the Nova Scotia's put close to half of the total in a very secure position, while the industrials and utilities tend to increase income at moderate risk. The point to consider in connection with the Victory bonds has to do with income tax. You do not say what issue you hold. Nor do you indicate your total income. You should consider your taxable income in relation to the various issues. Unless your income is considerable the tax free issues would hold little advantage for you and it might be advisable in that case to make a reinvestment.

Your industrial and utility bonds are evidently all first mortgage issues but this is a point which should be checked up. Second mortgage bonds are not usually satisfactory as a class and good preferred stocks are often more attractive. If you are in a position to give close attention to your investments you might consider placing some portion of your funds in sound industrial stocks, but at the present level of prices selection would have to be made carefully. Your investment in English Electric was of a speculative character as is the case with most new enterprises. However, this you no doubt realize in purchasing this stock and we think you should be prepared to hold until the concern has had a fair chance to prove itself.

ROYAL BANK

J.—Montserrat—I recently purchased 12 Royal Bank shares at 222. I am depending on a salary and my Royal Bank shares are my only investment. They are fully paid up. I take it that these shares are as safe a security as one can get, so why put part of one's capital in any other variety of stock? Does not the Canadian Government practically, by its laws, guarantee all the country's banks?

Under the banking laws of Canada, shareholders in the chartered banks are liable to be called upon, in the event of failure of a bank, for payments up to 100 per cent. of their holdings of stock. This provides additional protection for the creditors of the bank such as note holders, depositors, etc. The possibility of the shareholders of the stronger Canadian banks ever being called upon to make payments under this double liability clause, or even of any of the stronger banks failing, is remote indeed, but while the clause in the investment exists it should be recognized and taken into consideration by the investor.

The Royal Bank is a very strong and stable institution that has grown to its present size by virtue of progress of management. Its shares may be considered an excellent investment and yet we cannot agree with you that they form as safe an investment as one can get. The stock may be subject to fluctuations in price, and the bank might possibly suffer extensive losses in time of financial or business depression of an extended nature. This would apply to even the strongest companies and because of that fact, the shares of the bank cannot be classed with such investments as government or municipal bonds, which have the taxing power of the people as security.

The advantage of diversifying one's investment, that is putting a portion of one's capital into several different types of securities, is that it provides the maximum assurance against loss in times of depression. While bad management might wreck one company, the others would probably pull through. There is a fact, too, that when business conditions are unsatisfactory it is often difficult to borrow money on certain types of investments, and it is essential that an investor should protect himself by being in a position to borrow money on his investments if at any time it is necessary. There was a time in Canada when even municipal bonds could hardly be sold and it was almost impossible to get loans on them. This was in 1907. If this applied to municipal bonds you will see that it would apply much more forcibly to banks, industries and securities of other companies.

We are pointing out these matters not to indicate any immediate danger ahead of your Royal Bank investment, but as an answer to your question why we advise investors to divide their eggs among a number of baskets, and why at least some of these baskets should be as strong as government and municipal bonds.

RSC INVESTMENT-SERVICE

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The Investor and No-Par Stock

A share of stock in a corporation is what its name describes it to be—share in the enterprise. In other words, it is a legal instrument, or certificate, entitling its owner to participate in the profits, if there be any, and establishing his ownership of a part of the assets.

Thus, a business enterprise may represent $100,000 of assets and may earn profits of $25,000 a year. Its capital stock may consist of a thousand shares, in which case each share would represent $100 of the assets and be entitled to $25 of the profits, or it may consist of 10,000 shares, in which case each share would represent $10 of assets and be entitled to $2.50 of the profits.

Or again, there may have been issued 10,000 shares in an enterprise with $100,000 assets and each share may have been given an arbitrary par value of $100. Yet, the assets represented by each share would amount to but $10. At the same time the enterprise may have made no profits and in consequence there would be nothing to divide among the shareholders.

For the reasons set forth in these examples the real value of a share of corporation stock has no relation whatever to its par value except in the case of preferred stock, which has a lien upon assets to the amount of its par value, which lien is prior to any rights of common stock and at the same time has a prior lien upon surplus to the extent of its fixed return—eight per cent., seven per cent., six per cent. of the par value per share, as the case may be.

As to Stock Value

The common stock of very profitable concerns is worth many times its par value; the stock of unprofitable concerns is worth less than its par value. We find bank stocks of a par value of $100 quoted at $600, $700, or even higher, because the assets are greatly in excess of the total par value of the stock and because of the profits made pay an attractive rate of return even on these high amounts, while we find other stock of nominal $100 par value quoted at $10, $6 or $5, or even less, because there are no profits and because assets represent no higher figure.

Because stock—we are now discussing common stock—has a par value of $100, it does not necessarily follow that it represents $100 in assets or is entitled to any fixed return. It may be worth more; it may be worth less. The value of the asset that each share represents is arrived at by dividing total assets by the total number of shares so that it is the number and not the arbitrary par value of shares that is the determining factor. Similarly, in the case of profits returned to the holders of common stock in the shape of dividends, it is the number of shares that fixes the rate and not their par value.

This, of course, applies only to enterprises in which all common stock has the same fixed par value. If, as is unlikely, an enterprise sold several issues of different par values the situation would be altered, but only to the extent that the par value would indicate the proportionate share of each stock issue.

Advantage is Obvious

Consider now the action of public service directors. The change from common stock of $100 par value to common stock of no par value affects neither the assets nor the surplus for dividends.

The advantage of the new form of common stock to everyone concerned is obvious. In the first place, it creates a smaller unit for the benefit of the small investor.

In the second place, by removing any declaration of par value, shares appear in their true light—as rights of participation in assets and surplus available for dividends, so removing many popular misconceptions as to the nature of common stock and avoiding much of the confusion that now exists.

Moreover, the increase in business of the operating companies makes necessary in the future large expenditures and consequently the raising of a large amount of new capital. The amount of preferred stock which the corporation may sell is limited to an extent by the amount of common stock sold. The increase in both preferred and common stock authorized makes possible a more flexible financial structure that will enable the corporation to meet its capital needs to the best advantage under varying conditions as the new money is required.

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CURRENT OPINIONS

A MATTER OF TASTE

Vancouver Sun

His Grace the Duke of Manchester writes in the Sunday Herald of London, all about his escape from American millionaires who wanted him for a son-in-law.

He says that Henry Tabor, mining millionaire of Denver, broached the subject quite frankly, saying, "Now, Dook, what'll you take in cash to be my son-in-law?"

That incident probably took place. But then one doesn't expect much finesse or delicacy from a rough-and-ready miner who has achieved wealth through straight forceful business methods — not as much, for instance, as from an English duke, nurtured in culture for many generations past.

But with all the force of breeding on his side, the duke seems to come out a bad second by comparison. At worst th Denver millionaire was only guilty of trying to make a poor business deal, while the noble lord was guilty of selling his noble name in the public press over a tale that anyone who had the faintest instincts of decency would have kept to himself.

It is on little matters of poor taste like this that international prejudices are built up.

BUSINESS IN GRAIN GROWING

Barrons'

Out of all the tumult and shouting of public men, and some not so public, over the wheat situation, there has been heard just one voice that sounded like sense. That was the voice of "Jake" Mohler, Kansas state secretary of agriculture, speaking before a conference of wheat men at Wichita. Ordinarily Barron's would refer to him as the Hon. J. C. Mohler, but out there from one end of Kansas to the other men speak to him, and of him, as "Jake." He might not be recognized by any other name.

"Jake" told the conference that we are maintaining our war-expanded wheat acreage; at the same time other sources of supply are being opened up to the importing world, and Europe also is increasing its food production; that the wheat market has broken down from an over-supply; that, as the market for wheat cannot be increased, farmers must look to diversified crops and sell them through livestock.

Compared with this quietly spoken statement the bellowings of Brookhart, Magnus Johnson and others of that school are as sounding brass and tinkling cymbals.

In the five years before the war our wheat area averaged 52,500,000 acres and we not only supplied the domestic market but had a surplus for export. This year our acreage approximates 65,000,000. We cannot pretend to compete with Canada, Argentina and Australia, whose production costs are lower than ours. At the same time we overlook the fact that before the war Canada was raising 10,000,000 acres of wheat a year and now has over 22,000,000, nearly all of which is for export, and Argentina and Australia also are increasing their output. To put it mildly, it looks as though we were wheat inflationists. But instead of smashing the market's balance wheel because it could not go around any faster, the farmers should adjust their business to these new conditions.

Kansas, for instance, is now putting in every year twice as much wheat as it did before the war. There is only one remedy, and that is just as "Jake" said, "turn to diversified crops." This may not be so attractive as an all-wheat farm program, but it is the only one in which the future promises any profit, because it is the only one whose production can be successfully marketed. And the marketing must be through livestock, not merely for meat, but also dairy and poultry products.

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THREE FEATURES OF SOUND INVESTMENT

Considerations in Placing Money Vary With Circumstances—Safety is Dominant Factor

A bulletin issued by a large financial firm divides investors into three groups. The first consists of those who should be influenced almost entirely in their investments by considerations of safety of principal. These include:

Women and dependent children or those who are unfamiliar with business or financial matters, or who are entirely dependent upon the income from their investments.

Small salaried employees or those who have an income barely sufficient for their requirements.

Clerks and laboring men or those who haven't time to make careful selection of securities.

Professional and retired business men or those who want to be freed from giving personal attention to investment matters.

Trustees, executors, estates, colleges, hospitals and similar institutions or those who occupy a fiduciary relation towards others.

In the second group are those who can consider largely maximum income. They are:

Business proprietors and partners or those who have extensive knowledge of business and finance.

High salaried officials or those who can give constant personal attention to investments.

Bankers and financiers or those whose business gives them special facilities for selecting securities.

Stock and bond brokers or those who have a larger income than they can spend.

All of these classes in their daily occupations acquire more or less extensive knowledge of financial matters and have first hand information regarding industrial conditions. They are, therefore, justified in using their superior facilities in seeking maximum income from their investments—by sacrificing some degree of safety or marketability.

The final class are those who should pay particular attention to ready marketability. These consist of:

Banks and trust companies or those who are subject to instant demand for cash funds.

Insurance and similar fiduciary companies or those who may require quick cash to meet a business emergency.

Railroad, industrial and manufacturing companies or those who have seasonal demands for cash capital.

Of these the bulletin says:

The deposits of a bank, the premiums of an insurance company, the surplus of a business firm are subject to immediate call. Hence, all these funds must be invested in securities that are instantly salable in the open market, or which have a recognized and stable collateral value at the banks. Ready marketability is the prime consideration—and takes precedence over income or safety.

NEWS AND VIEWS ABOUT BONDS

EQUIPMENT ISSUE OVER-SUBSCRIBED AND SOLD LOCALLY

Institutions Take Large Blocks of New Dominion Bonds

The outstanding feature of the bond market during the week was the ease with which the syndicate of bond houses disposed of the $22,500,000 Canadian National Railway equipment bonds. Large investors had drawn out of the market to await the sale of this issue, tenders for which were opened on July 25. A Canadian syndicate secured the bonds and immediately formed a selling syndicate, in which practically all bond houses were offered participation. In this way the issue was soon over-subscribed. Investing institutions such as banks, insurance, trust and loan companies, took over $16,000,000 of the bonds and dealers reported a ready sale of the balance to private investors.

Opinion is divided on the probable course of the market. Underlying conditions appear sound and it is generally considered that fewer government and municipal issues will be floated in the future owing to the disposition of governing bodies to pay their way. In spite of this, some disturbing factors are more evident. The London market is soft and may go off further if sterling exchange falls to lower levels. In New York bond prices have sagged in sympathy with the stock market.

In Canada the financing of the Dominion government to meet maturing issues in November lies ahead and it is known the several provinces and large cities will be in the market for funds shortly.

Several municipal issues in the week induced numerous bids.

Matthews & Co. purchased an $88,318 issue of Scarboro' township bonds at a price of 104.691. The bonds bear interest at 5½ and 6½ per cent. and are due serially 1924 to 1953. The money is costing the municipality 5.35 per cent. Bids were as follows:

Matthews & Co.	104.691
Wood, Gundy & Co.	104.43
Gairdner, Clarke & Co.	104.11
Dyment, Anderson & Co.	104.06
A. E. Ames & Co.	103.857
C. H. Burgess & Co.	103.687
McLeod, Young, Weir & Co.	103.37
Macneill, Graham & Co.	103.246
W. A. Mackenzie & Co.	102.74

Prince Rupert Bonds

The city of Prince Rupert sold $78,500 of its bonds to Gillespie, Hart & Todd, Victoria, at 98.47.

Buys Charlottetown Bonds

A. Jarvis & Co. purchased city of Charlottetown bonds amounting to $75,000, bearing interest at 5 per cent., repayable in 20 years, at a price of 98.23. The municipality is borrowing at a cost of approximately 5.14 per cent., the lowest rate paid by any Canadian municipality for some years. The tenders were:

Aemilius Jarvis & Co.	98.23
Wood, Gundy & Co.	96.08
A. E. Ames & Co.	92.25

County of Inverness

The Eastern Securities Corporation purchased an issue of $50,000 county of Inverness 5½ per cent. debentures, dated May 1, 1943, at 102.07 and accrued interest. The following is a list of the tenders received:

Eastern Securities Co., Ltd.	102.07
Matthews & Co., Ltd., Toronto	101.27
Johnston & Ward	101.17
W. F. Mahon & Co.	100.269
J. C. Mackintosh & Co.	99.07

Lennox Bonds Sold

The county of Lennox and Addington bonds, amounting to $28,000, bearing interest at 5½ per cent., and repayable in ten annual instalments were awarded to R. A. Daly & Co. at a price of 100.56. The money is costing the counties approximately 5.38 per cent. Bidding was keen, a range of practically one-half point only between the high and low bids. Some fifteen bids in all were submitted. Tenders were as follows:

R. A. Daly & Co.	100.56
Harris, Forbes & Co.	100.53
Aemilius Jarvis & Co.	100.52
R. C. Matthews & Co.	100.48
Wood, Gundy & Co.	100.36
Dyment, Anderson & Co.	100.31
Macneill, Graham & Co.	100.31
Bell, Gouinlock & Co.	100.25
W. A. Mackenzie & Co.	100.19
McLeod, Young, Weir & Co.	100.17
C. H. Burgess & Co.	100.12
Nesbitt, Thomson & Co.	100.11
Dominion Bank	100.08
Gairdner, Clarke & Co.	100.07
A. E. Ames & Co.	100.00

The Eastern Securities Corporation purchased an issue of $6,000 town of Dartmouth 5 per cent. debentures, dated August 1, 1923, due August 1, 1943, at 96.37 and accrued interest. The following tenders were received:

Eastern Securities Co., Ltd.	96.37
Nova Scotia Trust Company	96.20
Johnston & Ward	96.18
W. F. Mahon & Co.	95.27
J. C. Mackintosh & Co.	95.07

Arnprior Bonds

Municipal Bankers' Corporation have purchased an issue of town of Arnprior bonds, amounting to $43,000, bearing interest at 5½ per cent., and repayable in 30 instalments at a price of 101.092. The town is securing its money at a cost of 5.40 per cent. The bids were:

Municipal Bankers Corp.	101.092
Matthews & Co.	100.69
Wood, Gundy & Co.	100.58

Innisfail Bonds

Township of Innisfail bonds to the amount of $20,000, bearing interest at 5½ per cent., and repayable in 25 annual instalments, have been awarded to Harris, Forbes & Co. At the purchase price of 102.11, the municipality is borrowing at a cost of 5.29 per cent. Tenders were:

Harris, Forbes & Co.	102.11
Wood, Gundy & Co.	101.18

The Municipal Debentures Corporation has purchased $25,000 of 5½ per cent. thirty year bonds of the school commission of Notre Dame de la Merci. Another issue purchased by the same house is $100,000 of 5½ per cent. thirty year bonds of the Fabrique de State Catherine du Montreal.

Canadian for Bankers' Association Executive

NEW YORK.—J. A. Fraser, of the Dominion Securities Corporation, Toronto, will be nominated for the position of Canadian representative among the vice-presidents of the Investment Bankers' Association of America at its annual convention to be held in Washington on Oct. 31.

The other nominees will be, for president of the association, John W. Prentiss, of the firm of Hornblower & Weeks, New York City; for vice-presidents, Philip S. Dalton, of Coffin & Burr, Boston, Arthur Sinclair, Jr., of Estabrook & Co., New York City, and Walter Brewster, of Russell, Brewster & Co., of Chicago. John G. Brogden, of Strother, Brogden & Co., of Chicago, will be nominated for treasurer, while F. R. Fenton, of Davis & Doyle, Chicago, will be nominated for the secretaryship.

PROVINCE OF QUEBEC HAS LARGE SURPLUS

Reduction to $1,300,000 Due to Expenditures for Highways, Education, Etc.

The statement presented to the cabinet of Quebec in July by Hon. Jacob Nichol, the provincial treasurer, shows a surplus of $1,300,000 for the year ending June 30, as compared with approximately $5,000,000 for the preceding year. The reduction was due largely to expenditures on highways, education, colonization and agriculture. These statements stand out in striking contrast to those of most governments, where every avenue of taxation is being exploited to the limit to meet necessary revenues. The strong financial position of the province is reflected in the high prices paid by investors for its bonds.

NEWFOUNDLAND WILL FLOAT BOND ISSUE

Need Funds for Railway and Paper Enterprises According to Budget Speech

In presenting his budget in the Assembly, the Finance Minister of the Dominion of Newfoundland showed a deficit of $180,000 in the public finances for the fiscal year ending last June. However, he estimates that there will be a surplus of $44,000 for the present year. The government, he said, proposed to raise a loan of $3,000,000 for railway equipment, required as a result of its taking over of the Newfoundland railway and its interest in the new paper making enterprises on the west coast.

The railway, formerly operated by the Reid Newfoundland Company, has been in difficulty for some years. The adverse weather conditions in the winter months raise the operating cost to abnormal levels and many other difficulties enter into the situation.

The pulp industry has been growing rapidly in the Dominion and the Northcliffe mills at Grand Falls are now producing large quantities of paper, etc. The launching of a new enterprise backed by English interests, was the subject of extensive negotiations a year ago. An agreement was reached and subsequently approved by the electorate in returning the Squires government in the last election. The agreement provided that certain securities would be issued on the guarantee of the Newfoundland government.

Peak of Building Boom Passes in U. S.

The peak of the building boom has passed, and the best evidence of this is to be found in the figures for building permits which reached their high point in March, and declined sharply in April, and again in May. Permit figures supply the best available forecasts of the amount of construction that will be under way a few months hence. They do not show the volume of building actually under way, but they do indicate what is likely to happen in the building industries in the near future.

INSTITUTIONS BUY LARGE BLOCKS OF NEW R'LW'Y LOAN

Banks Secure Short Dates and Insurance Companies Larger Bonds

Widespread satisfaction has been registered at the interest taken by investors in the $22,500,000 loan of the Canadian National Railways. The bonds bear interest at 5 per cent. and mature serially from 1924 to 1938 inclusive. They are guaranteed unconditionally as to principal and interest by the Dominion of Canada.

The remarkable feature about the sale is that only a small part, approximately $1,000,000, were sold in the United States, the rest being disposed of in Canada. On account of the dearth of large blocks of bonds and the wide choice of maturities, the bonds appealed to many institutions; it is reported that they took up about $16,000,000 of the bonds, one sale of $1,000,000 being recorded. The short term bonds were readily sold, largely to banks, while insurance and loan companies sought the longer terms. Dealers are now busy selling the balance, consisting chiefly of the maturities of 1930 and 1934.

The results are of special significance in that they indicate a continuance of the feeling, illustrated by the Victory loans, that Canadians are ready to supply a greater share of credit to its governing bodies than ever before. The opinion of prominent financial men is that at least a part of the Dominion financing next fall will be provided for in Canada.

As to the issue itself, it may be said that the proceeds will be used to purchase equipment and rolling stock for the Canadian National Railways, against which it will be a first charge. In all, the additional equipment will cost $30,000,000 and the Dominion treasury will provide 25 per cent. of this amount direct. On account of their being retired serially equipment bonds have in the past been regarded as attractive especially in the United States, where they are sold by railway companies without any government guarantees such as this issue bears.

Earl Mansions Offer Mortgage Bond Issue

Some changes in the financial organization of the Earl Mansions (First) Limited, are being made. This company was organized two years ago to build and operate an apartment house on the Merrill system in Toronto. This was financed by a first mortgage and the sale of the company stock.

It was later found advisable to furnish the apartments. This was done out of earnings, precluding the possibility of dividends. To make dividends possible, a second mortgage is being placed against the property and this is being held as security for a bond issue. The bonds bear interest at 6 per cent. per annum and mature in 20 years.

Following these arrangements, a dividend of 2 per cent. covering a four-months' period, has just been declared.

STRATFORD CHANGES BONDS

The Stratford city council has authorized the sale of Victory bonds held by the city, valued at $210,000. The money will be used to buy up debentures issued a short time ago for local improvements. A profit of about $65,000 will be realized on the transaction.

UNLISTED BONDS

	Bid	Asked
Abitibi Gen. Mt'ge. 6's 1940	95½	96½
Algoma Steel 5's 1923	41	43
Amer. Sales Book 6's 1927	97	
Ash. Hardware 5 p.c. 1928	95	..
Canada Salt 7's 1941	99	102
Wm. Davies 6's 1926	104	..
Dom. Iron Steel 5's 1939	80	81½
Dunlop Tires 6's 1927	98½	..
Dom. Sewer Pipe 6's 1927	94½	..
Dom. Mfg. 6's 1933	82	87
Eastern Car 6's 1952	94	..
Gord. Iron & Fare 6's 1927	..	45
Harris Abattoir 6's 1928	99	..
K. & S. Tire 7's 1935	79	84
Marcus Loew's 8% notes	89	95
Mattagami Pulp 6's 1937	65	..
Mattagami Pulp 7% Deb.	33	36
Morrow Screw 6's 1931	84	..
Neilson's, Wm. 6's 1933	97	..
Stan. Clay Pro. 6% 1942	..	90
Western Power 5's 1949	85	87
Whalen Pulp 7% Deb. 1932	61	65
Simpson Robt. 5's 1952	85	..
Mount Royal 8% Deb.	78	81
Spanish River 8's 1941	106	107
Burns P. 1st Mtge. 6's 1924	104	..
Can. Machinery 6's 1940	78	..
K. Ed. Hotel 7's 1933	89	92
Brompton Pulp 8% 1941	107	109
H. Smith Paper 7% 1941	100	102
N. S. Steel 6% Deb.	88	90

BOND MOVEMENTS OF THE WEEK

Week Ending July 31.

BONDS—	Int. Rate	Due Year	Yield	Range High	1922 Low	Range 1923 High	Low	Latest Price Ask	Bid	Week High	End Low
Bell Telephone	5	1925	5.20	98	94	101.90	97¼	—	98	99½	—
Can. Cement	6	1929	5.52	100¼	94	103	100	—	101	102½	—
Can. Locomotive	6	1951	6.12	100¼	99	99	96½	—	96	98	—
Cedar Rapids	5	1953	5.11	97½	93	98	94¾	—	97¼	98	—
Dom. Textile (A)	6	1925	6.00	101	97¼	100⅞	99¾	—	100	100	—
Do., (C)	6	1925	6.00	101	97¼	100½	100	—	100	100	—
Lyall Cons.	6	1932	7.55	85	75	97	85	89½	—	89½	—
Montreal Trams.	5	1941	5.75	93½	87½	92½	89¼	92	—	92	91½
Nat. Breweries	6	1939	5.65	101¼	97	103½	101¼	—	102½	103½	—
Penman's	5	1926	6.10	94¾	90	97	93¾	—	96⅛	96½	—
Quebec Rly	5	1939	6.98	87¼	65½	82	69	80½	80¼	81	80¼
Wayagamack	6	1951	7.26	88¾	71¾	86¾	80½	84¾	—	84¾	—
War Loan	5	1925	4.66	96.30	96.10	100.95	99.10	100.90	100.80	100.70	100.45
Do.	5	1931	4.80	99.60	96.25	103.80	99.80	101.50	101.40	101.60	101.30
Do.	5	1937	4.75	101.50	99.50	103.30	102.00	102.65	102.55	102.80	101.25
Victory	5½	1923	4.68	100.70	98.75	100.95	100.20	100.50	100.40	100.50	100.20
Do.	5½	1924	5.04	100.75	98.00	101.40	100.25	100.75	100.65	100.70	100.40
Do.	5½	1927	4.72	102.70	99.75	103.50	102.35	103.25	103.15	103.10	102.90
Do.	5½	1933	4.84	104.35	101.25	106.70	104.40	105.45	105.35	105.50	105.25
Do.	5½	1934	5.15	101.35	98.80	103.90	101.30	103.10	103.00	103.45	103.00
Do.	5½	1937	4.74	106.25	103.00	108.45	106.50	108.00	107.90	107.90	107.55
Do., Renewal	5½	1927	5.06	101.10	99.40	102.80	101.00	102.00	101.75	101.50	101.35
Do.	5½	1932	5.16	101.00	99.70	103.00	101.00	102.60	102.50	102.70	102.50

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Tender for Debentures.

Sealed tenders addressed to the undersigned and marked "Tender for Debentures" will be received until 12 o'clock noon (Standard Time), Saturday, September 1st, 1923, for the purchase of $18,000.00, County of Peel, Debentures, bearing 5½% interest, and payable in ten equal annual instalments as to principal and interest, issued under the authority of By-law No. 605, for the construction of certain bridges in Toronto Township in the said County of Peel.

L. H. WILLIS, County Clerk,
Brampton.

ONLY MODERATE PROSPERITY IS ASSURED AS YET

(Continued from Page 1)

others are breaking in price. This development is of major importance because finished goods follow the trend of commodities, and both margins of profit and interest rates depend upon the main swings of commodity and goods prices.

Takes Brighter View

More optimistic is the opinion of those who hold that there has been no accumulation of surplus manufactures and that buying must soon be resumed on a broader basis. Hayden, Stone & Co. say:

At the moment purchasing of all sorts of commodities is on a hand-to-mouth basis—everybody is apparently waiting for someone else to make the first move. This condition is partly seasonal, although it must be admitted that fresh declines this week in a number of leading staples, such as oil, wheat, flour, cotton, lard and coffee, do not tend to a restoration of confidence.

At the same time with no over-supply of commodities, except possibly in the case of oil,—with no unemployment, and with no lack of banking funds, it is difficult to see how the normal needs of over 100,000,000 people are going to be met without a resumption of heavy buying and a fairly brisk trade, at least for the balance of the year. It would be strange if the stock market, in view of the liquidation that has taken place and its relatively strong technical position at present, did not begin to discount this probability before long.

Optimism is also the keynote of the market review of the National Bank of Commerce in New York, from which we quote:

It is fashionable just now to think that business is poor, but favorable factors continue to outweigh unfavorable factors and good business may be looked for during the autumn months. There is full employment at high wages. Retail trade is active and well-sustained and wholesale trade is normal for the season. This is evident from the continued high record of the combined car loadings of miscellaneous freight and of less than carload lots.

Conclusions Not Definite

That definite conclusions regarding the future cannot be arrived at, is the view of The Bache Review:

Indications as to the trend of business are being studied very closely, but no definite conclusions to everybody's satisfaction have yet been reached.

Steel and iron are considered very reliable trade barometers. The price of pig iron is about $5 per ton below the peak of last March, and in this metal the price tendency seems to continue downward. It cost no less to make it on this account, and it is reported a movement is in progress among merchant furnace operators to reduce output.

This process, when the labor market is short and labor refuses to help reduce costs in a declining market, is what brings on business depression. Manufacturers decide not to run if profits are vanishing, and so production is cut down or off.

But the case with steel has been different. Prices have shown no indication of declining and shipments are still heavy. It is on these facts about steel that much of the optimism as to the future has been founded. But the truth is that no special significance should attach to this non-decline in price of finished steel products in general. With a large volume of former orders still unfilled, even though new orders are not coming in, the mills do not feel like cutting prices to speed up demand. It is probably true that a cut in prices by one manufacturer might, for a time, bring some added business, but this would be followed by price-cutting all around, with probably no average increase in volume.

In view of these various opinions it is, therefore, difficult to view the future with confidence and it would seem to be a time when the average business man must proceed with considerable caution unless he is convinced as to what may be anticipated in the particular field in which he is directly interested. Of course, in Canada where there has been little if any undue expansion conditions are different from the eastern states although the same general influences may be anticipated.

THOUSANDS OF TOURISTS

Calgary.—Thousands of tourists are now passing through the province, visiting the various national parks and other places of interest. The auto camps at Calgary, Edmonton and elsewhere report many visitors. During the Calgary Stampede nineteen auto parties from California alone were registered at the Calgary camp.

CIVIC AND PROVINCIAL FINANCE

ALBERTA AFTER THE RETURN OF HER RESOURCES

Premier Greenfield Has Definite Proposal for Ottawa

From Our Own Correspondent

EDMONTON.—Still another effort is to be made by the prairie provinces to secure possession and control of their natural resources, and Premier Greenfield, in behalf of Alberta, will attend the conference in Ottawa, called by Hon. Mackenzie King for August 6, at which the question will again be taken up as between the provincial and Federal governments. From the Western point of view in particular it is hoped that this may be the last time it will have to be argued out, and there is even some reason to expect that a basis of settlement may be agreed upon.

Alberta's side of the case, as Premier Greenfield will present it, will follow the lines adopted as the policy of his government some time ago. The transfer of the public domain will be asked for, and with it compensation for lands alienated for railway purposes outside the province. The latter part of the deal will mean an account of $6,555,500, subject to compromise, it may be, but made up on the basis of 50 cents per acre for some thirteen million acres of land taken from provincial control since the province was established in 1905. If this bill is paid, says Alberta now, all other accounting may go, the annual cash subsidy may drop, and the payment may be spread, if desired, over a period of ten years.

The offer made by the prime minister last fall, it will be recalled, was to give back the resources and continue the cash subsidy for three years. This was not acceptable to the provinces, and Alberta was especially decisive in declining it. Put side by side for comparison's sake, the two proposals mean, in the one case, three annual subsidy payments and, in the other, the equivalent of ten such payments if paid on the instalment plan.

Costly to Ottawa

Alberta recognizes the fact that Ottawa has been paying out more than it has been getting in from the management of the province's resources. The coal and petroleum account has been one of the largest revenue items, and since 1906 the Dominion has taken $1,250,155 in coal royalties and $1,721,146 in petroleum leases alone. But the sum total of revenue from all sources included in the public domain of Alberta for a period of three years, 1919-1922, has been $4,968,019, while the expenses for the same period have been $5,259,753. It is the big land bill that turns the account the other way.

The total land area alienated from Alberta is 67,251,409 acres. Nearly one-third of this has been under the heading of homestead lands; 2,094,800 acres have been for Hudson's Bay Company grants; and over 16,000,000 acres for forest reserves and national parks. The heavy item of railway grants, to which most importance is now being attached, shows 13,120,014 acres taken from the province, and it is mainly on this item that Alberta is resting its case.

Only a fraction of the land granted away for railway building purposes was given as grants for roads built within the province, almost the whole area having gone for work in British Columbia and Ontario. Therefore, says Alberta, it should be paid for. A nominal price has been put on it, and the proposition that the province is making is that the account be settled on this basis and let the other items go.

It is an open secret that the administration of the resources will almost certainly involve the province in heavy costs for the first few years, but Alberta's natural heritage is great enough to make the risk worth while, provided that it can secure compensation for that considerable part of its domain which was alienated, not for its own, but the general good. Premier Greenfield, it is understood, will submit a case along these lines, and it is the feeling here that he will not be asking for a bit more than the province should have.

BARCELONA TRACTION

Slight declines in both gross and net earnings are reported by the Barcelona Traction, Light & Power Co. for the month of June, as compared with May results. Gross earnings from operations total 3,711,837 pesetas, as against 4,102,048 pesetas for May, and 3,617,712 for June, 1922. Operating expenses at 1,201,678 pesetas compare with 1,529,538 for June a year ago. Net earnings are shown at 2,510,159 for June, against 2,600,937 for May and 2,088,174 for June, 1922. Aggregate gross earnings from January 1 to June 30 at 25,758,987 pesetas compare with 22,515,219 for the corresponding period in 1922, an increase of 3,243,768. Aggregate net earnings for the corresponding periods total 14,402,000 and 13,687,012 pesetas respectively.

The total value of the pelts of fur-bearing animals taken in the Dominion during the season of 1921-22 was $17,438,800, an increase over the previous year of $7,287,273, or 72 per cent.

DARTMOUTH CLERK TO PAY ONLY SALARIES

Shortage of Current Funds Causes Acute Situation—Collection of Taxes Slow

An unusual and embarrassing situation has arisen in Dartmouth, N. S., through which the town found itself without ready cash to meet current expenditures. So acute did the situation become in the first part of July that, on the request of J. W. Douglas, local manager of the Royal Bank, the clerk was instructed not to issue any further cheques except for salaries. It is hoped that this bold step will overcome the present difficulties.

The present condition of affairs is based on a very heavy overdraft from 1922 which had to be taken care of in 1923 and also to the fact that an amount had to be provided for regular work and for new work. A considerable sum in arrears of taxes is outstanding and the action is considered justifiable if for no other reason than to impress not only upon the people but upon the council the importance of proceeding slowly in further current and capital expenditure. It is hoped that the publicity given by the present action will lead many of those who have not paid their taxes to do so at once.

The present situation is only serious in that it creates a difficulty in meeting existing current expenditures, but it does not affect the sinking fund charges which have been established on capital issues.

Another phase which has aggravated the conditions is the late date at which the notices for water rate taxes will be issued. It is now realized that the water rate should be decided upon at the same time and become payable concurrently with the general taxes. This year the water rates are very late because of the press of business on the Utilities Board.

Agricultural Wealth of Canadian Provinces

The gross agricultural wealth of Canada for 1922 is estimated at $6,774,461,000, as compared with $6,831,022,000 in 1921. The net decrease of $56,561,000 is due chiefly to the fall in the value of farm live stock, amounting to $84,833,000, against which there are increases for agricultural production $23,947,000 and other items $4,325,000.

This table gives the results of calculations showing, approximately, by provinces, for 1922, the total agricultural wealth of the Dominion. To arrive at this total, an estimate of the value in 1922 of land, buildings, and farm implements is added to the value of the agricultural production for the year and to the capital value of farm live stock and of poultry.

Estimated Gross Agricultural Wealth of Canada, by Provinces, 1922.
("000" omitted)

Description	Prince Edward Island	Nova Scotia	New Brunsw'k
Lands	$23,300	$ 62,528	$ 39,587
Buildings ..	14,031	51,931	37,772
Implements .	4,475	5,723	7,634
Live stock .	9,373	19,598	20,326
Poultry .. .	813	827	1,486
Animals on fur farms	4,000	400	675
Agricultural production	16,146	45,626	39,370
Totals .. .	$72,138	$186,633	$146,850

	Quebec	Ontario	Manitoba
Lands	$508,758	$ 734,108	$ 355,468
Buildings .	257,094	377,253	74,440
Implements	64,943	97,168	44,887
Live Stock.	123,087	218,755	58,599
Poultry .. .	7,333	15,508	2,945
Animals on fur farms.	450	400	450
Agricultural production.	271,764	435,231	120,480
	1,233,429	1,878,423	657,269

Description	Saskatchewan	Alberta	British Columbia
Lands	$ 863,961	$ 439,460	$169,706
Buildings ..	121,703	66,113	35,375
Implements.	111,170	51,224	4,436
Live Stock .	130,011	86,431	15,707
Poultry .. .	6,250	4,284	2,035
Animals on fur farms .	100	80	120*
Agricultural production.	322,457	125,582	43,514
Totals	1,555,652	773,174	270,893

*Including Yukon Territory $70,000.

N. B. EXPORTING LUMBER

St. John.—Lumber exporters in this district are experiencing a steady run of orders for their product from foreign countries, and scarcely a day goes by but some ship leaves port with a cargo of New Brunswick lumber. The United States has been an extensive buyer, with the United Kingdom not far behind.

CANADIAN NATIONAL RAILWAYS

Gross earnings of the Canadian National Railways for the week ending July 21, were $4,680,422, being an increase of $340,294, or 8 per cent. as compared with the corresponding period in 1922. Gross from January 1, to July 21, amounted to $130,817,385, or an increase of $15,014,082.

CALGARY SAVES BY SWITCHING TITLES TO VACANT LANDS

Owners Exchange Suburban Lots for Properties on Improved Streets

An attempt is being made in Calgary to overcome some of the difficulties brought about by the sale of vacant lots during the boom period in 1909 and the years following. At that time suburban land was subdivided and sold largely to absentee investors. Subsequently much of it was taken over by the city in payment of tax arrears. The result is that the city holds much idle land where local improvements have been completed, while many residents own lots on streets where no improvements such as sewers, sidewalks, etc., have as yet been made. When building is done on the latter a demand for these improvements arises, involving much additional expense to the city. Steps were taken to overcome this by bringing into force a land regulation, which reads:

"That the commissioners be authorized to exchange the titles of properties which have been acquired by the city as a result of tax sale and which are located on streets where sewer and water mains have been laid, for the titles of properties not located on sewer and water, provided the owner of the latter will pay to the city in cash, or terms suitable to the city commissioners, the difference in value of the property so exchanged and the costs of registration, etc. Values in all cases to be established by the assessment rolls of the city. Always provided that a residence or building shall be erected on the property so acquired from the city within such time as may be determined upon by the city commissioners."

The object of this clause is to prevent as much as possible the owners of properties not served by the utilities from building thereon, and petitioning the city to extend water, sewer and light to these outlying subdivisions.

The danger of the city eventually disposing of all its choice "inside" residential lots is safeguarded by the last paragraph of the clause quoted, in that a house must be erected within a certain time, which is usually twelve months; and the title to the lots so exchanged is not turned over by the city until the house is well under way.

This policy has been in operation for a little over a year, and a number of exchanges have been made and houses built.

It would be hard to arrive at the saving in dollars and cents through the operation of this policy, but it has the effect of putting on the tax rolls improved lots which would otherwise remain vacant and non-productive of taxes. With the buildings which are thus added, the tax collections on this property will be greatly increased. However, the greatest economies will be in the concentration of the use of public utilities and the saving by not having to extend light, water, sewer and street railway to districts where there could be no hope of adequate returns for years.

Such efforts will tend to increase the confidence of the investing public in the bonds of the city, as investors have now learned the important bearing of all economic factors on the financial success of a municipality.

Tenders and By-Laws

TENDERS WANTED

August 4, Wallace R. M., Man.—$6,870 6% debentures, due serially from 1934 to 1940. W. Whiteford, Clerk, Virden, Man.

August 6, Three Rivers, Que.—$35,000, 5 and 5½%, 30-yr. debentures.

Sept 1, County of Peel—$18,000, 5½% 10-instal. debentures. L. H. Willis, County Clerk, Brampton. (See announcement on page 16.)

SASKATCHEWAN

Authorizations granted by the local government board from July 14th to July 23rd, 1923.

School Districts: Clover Hill, $1,000; Frieden, $4,000; Raspberry Creek, $2,000; Green Meadow, $1,000; Milestone, $20,000; Zazula, $2,500; Meadow Dew, $2,000; Wanganui, $1,500; Pronqua, $700; Radville, $5,500; Carrot River, $500; Saskatoon, $30,000.

Rural Telephones: Connaught R.T. $1,200; Woodleigh R. T. Co., $150.

Village of Tompkins, $5,000.

Town of Tisdale, $11,000.

City of Moose Jaw, $2,979.

The following debentures reported sold from July 14th to 23rd:

Schools: Leask S. D., No. 3134, $13,000, 20 years, 6½%, C. C. Cross & Co., Regina; Kincaid, No. 2953, $20,000, 20 years, 7%, C. C. Cross & Co., Regina; Dixie, No. 293, $1,500, 10 years, 6¾%, C. C. Cross & Co., Regina; Baldock, No. 993, $1,750, 10 years, 6½%, Regina Public School Sinking Funds, Regina Sask.; McNutt, No. 793, $2,000, 7 years, 7%, Waterman-Waterbury, Regina.

Cities: Moose Jaw, $14,000, 10 and 15 years, 6%, C. C. Cross & Co., Regina.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
July 25	Nelson, B. C.	Locally	5½%	20-yr.	$40,000	98.80	...
July 18	Inverness	Eastern Securities Co., Halifax	5½%	20-yr.	50,000	102.07	...
July 18	Dartmouth	Eastern Securities Co., Halifax	5%	20-yr.	6,000	96.37	...
July 21	Prince Rupert	Gillespie, Hart & Todd, Victoria	6%	15 & 27-yr.	78,500	98.47	...
July 30	Scarborough Twp.	Matthews & Co., Toronto	5½ & 6½%	1924-53	88,318	104.691	5.35
July 27	Lennox and Addington	R. A. Daly & Co., Toronto	5½%	10-ins.	28,000	100.56	5.38
July 23	Saskatchewan Schools, etc.	Various	....	....	52,250	....	...
July 30	Charlottetown	Aemilius Jarvis & Co., Toronto	5%	20-yr.	75,000	98.23	5.14
July 31	Innisfil Twp.	Harris, Forbes & Co., Toronto	5½%	25-ins.	20,000	102.11	5.29
July 31	Arnprior	Municipal Bankers Corp., Toronto	5½%	30-ins.	43,000	101.092	5.40
July	Notre Dame de la Merci	Municipal Debentures, Montreal	5½%	30-yr.	25,000	....	...
July	Fabrique de Ste. Catherine Du Montreal	Municipal Debentures, Montreal	5½%	30-yr.	100,000	....	...

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Belgo Canadian Paper Company Limited
7% Preferred Stock at 96.50 to yield 7¼%
ASSETS: Over $300 of equity for each $100 share.
EARNINGS: Since 1919—4 times more than required for Preferred Stock Dividends.
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77

DOMINION STORES, LTD.
8% Cumulative Class "A" Preferred Shares.
Price: 100.00, Carrying a 25% Bonus of Common Stock.
This company is the largest retail distributor of groceries in Canada operating 240 stores. Plans call for over 25 additional new stores in 1923.
Sales in 1922 increased over 47 per cent. and earnings over 72 per cent.
Dividends paid regularly on preferred shares, and common now paying $1.00 per year.
Chain stores have proven an exceptionally profitable investment, and we strongly recommend these securities.
A special circular we have prepared will be mailed upon request.
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Assurances in Force $630,000,000
Assets - - - $170,000,000

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J. F. HONSBERGER, M.D., and J. M. LIVINGSTON, M.D., Medical Directors.
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COMPANIES LOSE ON HAIL RISKS IN WEST

CALGARY.—Hail has taken a large toll of some of the best crops. Even where the crop has not been totally destroyed it costs the same to harvest what remains and, in a year when costs are high and the price of wheat low, it means that there is nothing left. Many farmers claim that if their crops are damaged the extent of, say, 40 per cent., by hail, they would just as soon face total damage so far as profits are concerned.

In view of unusual weather conditions many farmers have doubled their hail insurance this year, even at the high rates prevailing. The hail insurance companies have been hard hit in many cases. During 1921 there were thirty-eight companies transacting hail insurance. The premiums written totalled $4,356,576, and the losses incurred, $4,717,432. After allowing for administration expenses, the companies concerned suffered a severe loss, resulting in increased premium rates. In the twelve years of business preceding this the premiums received were $21,586,871, and the losses, $13,550,287, so that a reasonable profit has been secured on the business.

INSURANCE FOR BUYER AND SELLER

FIRE INSURANCE AGENCY SYSTEMS ARE CRITICIZED

Overhead Writing by Brokers Hurts Local Man—Situation Improving

The conditions under which fire insurance is sold in Canada have from time to time given rise to severe criticism and the heavy losses since 1920 have accentuated this to some degree at present. Last year stock fire insurance companies wrote $45,840,411 net premiums and incurred $31,334,216 net losses, the loss ratio being 68 per cent. The concern shown by some American companies operating in Canada has led the New York Journal of Commerce to comment on the situation. It says:

"There is complaint that loyalty among agents is decidedly wanting, but some officers are frank enough to admit that very little is to be expected considering the treatment that agents are receiving in Canada. Overhead writing is rife, general agents in large cities writing all over the provinces. The banks through their trust company connections control a very considerable part of the business. Viewed from the standpoint of an agent on this side of the line, the Canadian local agents have poor picking. Under such conditions much selection of risks in agencies is scarcely to be looked for."

In considering the position of the local agent it must be remembered that he usually represents a number of companies, some of whose officers he knows only through correspondence. Consequently, his service to each company is tempered by the care with which it has looked after his requirements. It is true that overhead writing exists but not to as great an extent as formerly. Some large brokers have many local agents of their own. This enables them to secure large blocks of insurance all over a province and for this reason most companies are anxious to secure business from them. If a risk is refused on the ground that the company has a local agent in the district where the property is located, the broker will place it with another company. In spite of the strong position of the broker, some companies have made a definite ruling that they will not accept risks under these conditions.

The assertion that the banks control the placing of fire insurance through associated trust companies was supported and strenuously denied before the Banking Committee of the House of Commons last session. It is clear that the trust companies control the placing of much insurance, in this way cutting out the independent insurance man, but the measure of influence which the banks exercise on this is hard to determine.

The Journal says further:

"The Canadian Fire Underwriters' Association has no control over lines other than fire. One result of this is that some companies are giving away sprinkler leakage insurance in connection with fire insurance."

This applies only to the companies operating on a tariff basis. There are a number of active non-tariff companies which, of course, are not bound by the rules of the Underwriters' Association.

The conditions governing commissions are given some attention by the Journal. It says:

"The commission situation might possibly be worse than it is. Agents in the smaller towns, working on the regular scale of commissions, can get more for their business by brokering it to general agents in the larger cities than they get as agents from their own companies. It is said there that many of the general agents do not attempt much planting of local agencies. Many of them are simply agents for an entire province, with commissions high enough so that they could employ sub-agents, but they can make more for themselves by writing direct all over the province and getting the entire commission."

Commission scales are laid down by the Underwriters' Association and are in general adhered to by the member companies. However, it is well known that some large brokers secure commissions in excess of those scales. The defence of the companies allowing these is that the general agent and broker assume all the responsibility and expense of securing the business, in this way cutting down the company's overhead.

One phase of the commission arrangements has been greatly improved in recent years. Some years ago the practice of a company placing its insurance through one of its own salaried employees, who held an agent's license, grew up. The insurance departments of the provincial governments have been exercising some discretion in granting and renewing licenses, and as a result many licenses have been cancelled. At present an applicant usually has a form containing a number of questions as to the time he intends to devote to insurance, etc., to fill out.

The Journal concludes:

"Another charge made against the general agency system in Canada is that many of the general agents are also brokers, handling various classes of insurance. Not infrequently by marketing they can get a reduced rate on marine or some other class and thus capture fire lines, although their fire companies are tariff companies and will not cut the fire rates. This method of offering special inducement puts companies which have a local agency system and adhere to tariff at a disadvantage, as the agents, especially at the smaller points, cannot offer these outside inducements.

"The fact that the Eastern provinces have comparatively few important cities and in those few the insurance on mills, lumber camps, etc., all over the province are controlled, makes it unusually easy for general agents to write broadcast and makes it hard for the local agents in smaller places to get much of the larger business."

New Addition to Head Office of Sun Life

The Sun Life Assurance Company of Canada is making an extension to its head office building in Montreal. At the laying of the corner stone this week, the president, F. B. Macauley, reviewed the rapid growth of the company, in which a process of doubling its assets and insurance in force every four or five years. He visualized the occupation of nearly all the large block bounded by Metcalfe, Dorchester, Mansfield, and St. Catherine streets by Sun Life buildings, whose total area would practically triplicate that of the present structure and its extensions.

INHERITANCE TAXES PAID BY INSURANCE

Company Bulletin Outlines Advantages—Value of Life Insurance Does not Fluctuate

In urging its agents to sell life insurance to provide ready money for inheritance taxes, a large company quotes Hon. Elihu Root, the eminent lawyer and statesman, who says:

"I have come to the distinct conclusion that by far the best, and indeed almost the only practical, way of guarding against the possible loss of a forced sale of securities, for the purpose of paying the various estate and inheritance taxes which are being imposed nowadays, both by the national and states' governments, is by means of life insurance; which, for a moderate annual payment, will insure the sum necessary to pay such taxes without the sacrifice of the securities."

The distinct advantages of insurance for this purpose are outlined in the company's bulletin. It reads:

"This plan has several distinct advantages. It makes it unnecessary to keep a large amount of cash on hand as a safeguard against the time when it will be needed for taxes, and thus permits you to keep all your capital invested.

"It places a sufficient sum in the hands of the representatives of your estate to enable them to meet the necessary expenses immediately, and thus saves any embarrassment of inflicting an unnecessary loss on the estate.

"It enables your executor to take advantage of the discounts allowed by many jurisdictions for prompt payments, and to avoid the imposition of penalties for delay.

"It averts the forced sale of property or securities at an unfavorable time to raise money for these taxes, and the consequent loss to your estate of a sum considerably greater than the actual amount paid in taxes.

"It simplifies the administration of the estate and thus reduces the legal and other expenses.

"We will not go into detail as to the method of figuring out the amount of life insurance that should be carried to cover these taxes properly. If the holdings are such that the inheritance taxes on an estate are likely to be large, the owner will want to consult an expert on the matter; obtain his estimate of the amount that the executors will be called upon to pay—and then to purchase sufficient Life Insurance to cover these obligations.

"If, however, the bulk of the estate is life insurance, payable to the wife, or if it does not exceed $25,000, expert opinion on this matter is not so essential. It is sufficient to buy several thousand dollars life insurance in excess of the amount needed to provide for the family, and have this policy payable to the estate to be used to pay inheritance taxes and other claims which must be settled before the heirs receive their shares.

Merchants Casualty to Increase its Capital

At a special session of the Manitoba Legislature, held on July 25th, the Merchants Casualty Company was granted an amendment to its charter, providing for the location of the head office at Waterloo, Ontario, and increasing the authorized capital from $500,000 to $2,000,000.

While the company is incorporated under the laws of Manitoba, it operates under a Dominion license. The change in the location of the head office followed the passing of control from the Zenith interests to a group of Waterloo financial and business men.

COMPANY OPPOSES CLAIM FOLLOWING BIG FOREST FIRES

Allege Surveys of Buckley Estate Property Were Erroneous

The need of more reliable and efficient fire insurance adjusters, as outlined in the FINANCIAL POST recently, is further emphasized by a case involving $108,000, which is occupying the attention of the New Brunswick courts at present, and, which, according to indications, will remain in litigation for some time.

The Buckley Estate, lumber dealers and timber area owners, of New Brunswick, are plaintiffs in a suit against the Liverpool, London and Globe Fire Insurance Company. Hearings have been held in Newcastle, Moncton and St. John, evidence being taken in all three centres.

The plaintiffs seek payment on insurance policies, for fire losses. The defendant company contends the survey offered by the plaintiffs was erroneous. It is alleged there is a difference of nearly three million feet between two surveys of the lumber owned by the Buckley Estate.

This is the third action against fire insurance companies for fire losses in lumber in New Brunswick, in a short time. W. Malcolm Mackay, instituted action first. J. A. Gregory, whose mill and lumber at St. John were burned, has also sought to force fire insurance companies to pay. Several other court actions on the part of lumbermen against fire insurance concerns in New Brunswick are reported as pending, adjustments having thus far failed to materialize.

In the case of timber areas, the accurate determination of values is admittedly difficult and adjusters who can get at the facts in a diplomatic way are always in demand. As a general rule the companies have avoided litigation, believing that the adverse publicity, along with the probability of heavy legal costs and unfavorable decisions, makes that the best policy. Some change of attitude has been taking place with the heavy losses of 1921 and 1922 and the companies are inclined to check up more closely on fire losses. As a result legal suits have been more numerous. There is no evidence of an attempt to avoid paying legitimate claims, but only to stamp out as much as possible unfair and often illegal claims, which have in the past been overlooked as a necessary evil which must be provided for. The problem is one of interest to every insurer as the rates are determined over a period of years by the loss ratios.

Immense Sums Received As Insurance Premiums

The importance of the insurance business is frequently in the mind of insurance people themselves, but the public itself may not realize its greatness from a financial standpoint. Alfred M. Best in the current issue of "Best's Insurance News," calls attention to the annual volume of insurance premiums in the United States, amounting to $3,500,000,000, in comparison with other activities. For instance, the gross operating revenues of railroads in 1921 amounted to $4,000,000,000. Lumber and its manufactured products in 1919 amounted to $3,100,000.000. The total United States money in circulation amounts to $5,800,000,000. The value of automobiles manufactured amounts to $2,400,000,000.

Of the $3,500,000,000 of insurance premiums, $1,600,000,000 represents life insurance premiums, $1,000,000,000 fire and marine and the rest casualty and surety bonds.

The credit and protective features of insurance are so tremendous in their influence that none of us can well comprehend them. Insurance is meeting the needs of the people to-day in a manner that it never has in the past. New forms of insurance have come into being, old ones have been liberalized and modernized. Companies are entering unknown fields. To-day people and their property can be protected from almost every contingency.

Beneficiary for Value Upheld by Supreme Court of Ontario

A sales argument used by many life insurance agents is the value of life policies in increasing a man's credit. That the use of policies in this manner sometimes gives rise to mistaken claims is evidenced by the case of Ogilvie versus Sons of Scotland Benevolent Association, in the Supreme Court of Ontario last year. The decision given was that:

"An instrument in writing executed by the insured but not attached to the policy diverting the benefit from the wife of the insured, originally named as beneficiary, to the daughter of the insured 'inasmuch as my daughter.... has paid the premiums....for some years past,' is sufficient to give to the daughter a lien on the policy for the premiums advanced and interest thereon which cannot be removed by a subsequent declaration or by the will of the insured naming another daughter as the beneficiary."

The outstanding consideration which deters many from insuring their lives for adequate amounts is the fear that they will not be able to pay the premiums consistently for a long period of years. Experience gives some justification for this view, as the fortunes of men fluctuate widely year by year. Partly to guard against a forced lapsing of the policy under these conditions a plan is followed by which the policy is credited with cash surrender values, usually after the third year, and if a premium is not paid, these are used to pay it and charged against the policy as a loan.

Another alternative taken by many policyholders is to borrow money and give the policy as security. Of course. this plan of borrowing against a policy may be extended to a great extent. Banks commonly accept life insurance policies as additional security for loans, as do holders of mortgages and other evidences of indebtedness.

In all such cases, the legal provisions in respect of beneficiaries are involved, and it is sometimes difficult to determine exactly what constitutes the transfer of a beneficial interest. Usually the policy states that the assignment of a policy must be made out in duplicate and endorsed by the company's officers. In the case cited above the court held that an unattached document making the assignment and stating the reason for it takes precedence over the appointment of a preferred beneficiary or an appointment by will.

In advancing the loan facilities of a policy as an attraction, insurance men should make it clear to intending purchasers that loans should only be made against policies in cases of extreme necessity, as experience shows that only a small percentage of loans of this nature are ever repaid. Moreover, when a loan is necessary, the company should be properly notified as well as the beneficiary.

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Crops Generally In Good Condition

Reporting on crop conditions in Eastern Canada the Bank of Montreal bulletin says:

Quebec—A fair crop of grain is expected. Growth is a little backward. Corn is improving and average crop expected. Hay in most districts above average. Roots have good appearance and general average crop being looked for. Small fruit in most districts plentiful, with apples a little below average. Pasture is generally good.

Ontario—General conditions very satisfactory. Good harvest weather in western part of province, east somewhat later and in need of rain. Harvesting of fall wheat in full swing and producing satisfactory yield. Spring grains in good condition. Root crops doing well. Second crop of hay is being cut in some sections. Apples reported light crop. Peaches, plums and grapes promise large yield. Pastures on whole good.

Maritimes—In Nova Scotia and Prince Edward Island weather conditions continue favorable and all crops look well. Haying has commenced and an abundant crop is expected. Apples show prospects of a large yield. In New Brunswick crops generally will be below average owing to drought, but recent rains in some parts of that province have been beneficial. Potatoes show a slight improvement but crop will be light.

COAL MINERS ARE NOT SERIOUS AS TO WAGE DEMANDS

Recognition of Their Hundred Per Cent. Strong Union is Aim

WHY COAL COST UP

Interesting Data as to Cost of Production—Men do Not Want Another Strike

The present conferences going on between the anthracite miners and operators of the United States, is not a wage dispute. The miners, 100 per cent. organized, are seeking to force recognition of their union and the constitution of the check-off system for the collection of dues. Of course, in their demands they are asking for higher wages, a 20 per cent. increase, or $1 a day more than was demanded during the long 1922 strike. The New York Trust Co. "Index" says that in view of the report of the United States Coal Commission, and the present wage contract provides that the new agreement shall be negotiated "in the light" of that report, it is difficult to assume that the officials of the union believe their increases can be granted.

The Index seems frankly disappointed over the report of the commission, but understands the final report, expected in September, may shed some real light. One feature lacking is the basis for valuation of the invsetment in the mines. For this reason also no calculation for earnings on invested capital is possible.

The interesting fact is made that 75 per cent. of the anthracite is produced by mine companies, who sell coal at $8 to $8.35 at the mines, while independents, producing the balance, sell at $8.50 to $11.50. Mine labor has increased from $1.56 a ton in 1913 to $4.12. Supplies doubled and general expense trebled in the 10-year period.

The commission found that the average production cost of company coal was $5.75, while independents varied around $6.32, as against $2.23 and $2.50 respectively in 1913.

Compared with these average costs, the report finds that the average sales realization on all sizes, steam and domestic, is $6.78 in 1923, as against $2.63 in 1913. The margin between cost and realization is the "approximate measure of what the operator receives for his services." This margin does not constitute profit, there being certain expenses and taxes to be deducted before profit accrues. An analysis of the consumer's dollar is made which, allowing for local variations, shows roughly that about 50 cents represents the cost of the coal at the mines, 25 cents goes for freight and 25 cents goes to the retail dealer. Out of the 75 cents paid to the producer and dealer, it is figured that 11 or 12 cents represents profits divided between the two.

No attempt is made to estimate the profit to the railroad out of its share of the dollar, but the commission finds the item of freight charge so large that it recommends investigation by the Interstate Commerce Commission with a view to a reduction. Taking anthracite labor as a whole, the commission finds that of those men who avail thmeselves of the opportunity to work the year round, the income for a family of five ranges from $1,500 to $2,000. In the classification above referred to it was shown that 976 men earned from $3,000 to $4,000, and 163 earned in excess of $4,000.

It is pointed out, in regard to the present negotiations that the miners have not seen fit to accede to the mandate of the commission and the request of the operators that there be no suspension of mining after August 31 in case a new agreement is not completed by that time. There is nothing in the past history of anthracite wage negotiations to indicate that a new agreement will be completed within the time limit, but there is reason to believe that a strike is the last thing the miners' leaders desire. Whether or not there is a suspension of mining, there is a now potential threat which will make for public uneasiness and which cannot fail to put the miners in a position difficult to justify.

Sapiro Answers Eight Questions

(Continued from page 3)

marketing association is a holding movement. If growers hold for a specific price, they deserve to fail just as any speculator who tries to squeeze the market beyond its normal commercial price.

Over Production

Second question:—What can be done to prevent overproduction of a co-operatively marketed crop? Advertising will help, but how can you keep sales ahead of production when a crop is highly profitable?

Sapiro's answer:—Nothing can be done to prevent overproduction of any crop except steady education as to the absorbing power of the consuming markets.

It is possible to extend markets by advertising and collateral means, but there is always the likelihood of reaching the saturation point. If this is done, overproduction will be inevitable. The only way in which it can be faced is by education and by co-ordinate action among farmers.

As it is now, we frequently get overproduction as we did with potatoes in this last crop. The potato farmers were absolutely helpless. Only about the normal crop moved into market, but that crop was sold at the lowest possible prices. Over 70,000,000 bushels of potatoes rotted in the ground in the northern line of states because it would not pay the farmers to dig them.

Those 70,000,000 bushels of potatoes rotting in the ground determined the price of the entire crop moving to market. Overproduction has its terrors at all times; but it is likely to be held in hand more easily if the growers are organized than when each man rushes his products to market, so that his neighbor and not himself will be stuck with the overproduction.

That is what unorganized farmers always do, and the buying world knows it. The result in an overproduction year is that farmers get an abnormally low price for that part of the crop which they do manage to sell; and therein lies the greatest loss. If they could receive fair value for what is sold, the loss of the surplus would not be ruinous. This co-operative marketing associations tend to bring about. They do not dump a big crop all at once upon the market. They merchandise it—offer it to existing markets only as those markets can absorb it, and meantime try to create new markets for the surplus. If they cannot get rid of it, this happens: If it is a perishable product, the surplus becomes a total loss, but it is a loss distributed proportionately among all the growers, who will receive more for that part of their crop which they sell than they would have received from the entire crop if dumped. If it is a non-perishable product, there is a carry-over in which each member of the pool has an interest. He knows of the carry-over because of his interest in it, and knows that to make it valuable he should not overproduce the next year; and he acts accordingly. Overproduction is always costly, but it is infinitely less costly with a strong co-operative marketing association handling the crop.

Renewing Contracts

Third question:—Is there any satisfactory way of holding poolers after their contracts expire?

Sapiro's answer:—There is no just or satisfactory way of holding poolers to a crop association after their contracts expire, except to keep teaching them just what they have done for themselves through co-operative marketing. They must always recognize that it is they who are doing the thing—not some association separate from them. I believe that wherever the right kind of co-operative marketing has been given an opportunity to demonstrate itself, growers will never go back to individual selling. This belief is based upon experience.

The Logical Limit

Fourth question:—Do you believe that farmers should go further and further into the business of marketing until they are wholesaling farm products, and even retailing them?

Sapiro's answer:—I do not believe that farmers should go further into the business of marketing their products. They should avoid the speculative channels of trade, and market through the distributive middleman. I do not believe they should attempt to wholesale or retail farm products, at least under the development I have seen in this country. It is an enormous job to market a crop intelligently to the trade, and I believe this shuld be completed by the farmers before they attempt the more difficult steps of limited distribution.

They must stick to the unit corresponding to car-load lots—and leave to the other legitimate factors of trade the process of stepping down the quantities to meet retail demand.

Fifth question:—Do you believe it a sound policy for co-operative selling organizations to attempt quantity buying for their members?

Against Co-operative Stores

Sapiro's answer:—I do not believe as a general rule, that it is wise for co-operative marketing associations to attempt to do quantity buying. These are totally separate problems. The buying matter affects the farmer as a consumer, and is a separate type of transaction. I believe that frequently farmers should do quantity buying—but it should not be done through their co-operative marketing groups.

Sixth question:—Some people think there is danger in the too rapid expansion of the co-operative movement. There has been criticism of your type of organization because it is, in a way, "head down." Is it not better for the small local co-operatives to come first and then be joined together in strong state and national groups?

Sapiro's answer:—The beginning must be made with the individual farmer. Co-operative marketing must be built from the ground up by the individual farmer pooling his problems with those who have a similar problem, within reasonably handled units.

With perishable products he should organize locals for receiving, grading, and packing, and then federate the locals on a commodity basis for sales. With non-perishables of more or less nation-wide production he should organize probably on a state-wide basis and pool accordingly. Then the various states should federate for national co-ordination. But in any case there should always be informed locals, so that the growers can get together constantly and know what is pending in their industry.

Now, I believe strongly in large-scale organizations, the largest scale possible. But the highest achievement possible is only attainable when the right method is used to bring it about. I believe in the eventual national organization of the country's wheat. I believe further that this should be kept in mind as the ultimate aim of any wheat program.

I have to laugh at the suggestion that there is too rapid expansion of the co-operative movement. You can never do a right thing too rapidly—except in the wrong way. The U. S. Grain Growers was wrong, and would have been wrong if it had covered one hundred years in its conception and campaigns. Speed is no element of rightness. It is simply a factor in the technique of a campaign. Each particular commodity and each particular district must be studied by itself to determine what kind of a campaign will produce results as to marketing.

Non-Commercial Organizations

Seventh question:—In what way. if any, should the co-operative work with non-business farm organizations, such as the Grange and the Farm Bureau?

Sapiro's answer:—The non-commercial farm organizations, such as the Farm Bureau and the Farmers' Union and the Grange and Equity, should not themselves engage in co-operative marketing; but they should initiate proper selling movements. They can be of enormous assistance in organization campaigns.

When once a co-operative is organized, no non-commercial farm organization should have a word to say regarding the methods of conducting the business, except to assist in building morale and to assist as individuals in helping the co-operative to solve its commercial problems.

The Last Commandment

Eighth question:—Many people are skeptical about the possibility of co-operation alone being able to make agriculture profitable. Unless the entire economic structure is sound, how can you expect farming to pay?

Sapiro's answer:—Until the economic structure is sound, the average consumer will not have a proper purchasing power. If this purchasing power is absent, crops will not be sold at any price which would bring prosperity to the farmer. Co-operative marketing cannot create over again all the economic conditions of the world. It can only enable the farmer to adjust his own conditions intelligently and fundamentally to actual world circumstances.

But, on the other hand, I do not believe it is wise for the farmer to try to solve the problems of everyone else. He must look after his own needs and solve his own problems just as everyone else is trying to solve his problem to his own profit, regardless of the farmer. This does not mean that the farmer should be a bad citizen. But the best citizen is the one who takes care of his own business—and at the same time gives thought to the needs of others.

Geo. F. Baker, a Veteran Banker of Wall Street

Sixty years ago George F. Baker and the First National Bank of New York started their business careers in Wall Street, the one as a paying teller, the other with a modest capital of $100,000. Wall Street last week paid homage to both—to George F. Baker, octogenarian financier and one of the leading bankers of the country, and to the First National Bank of New York, with a capital of $10,000,000 and a surplus of $50,000,000, the largest of any bank in the United States.

In his eighty-fourth year—he was 83 in March—Mr. Baker continues to maintain his regular hours of work at the bank. He is at his desk at 9.30 every business day and works through to 4 in the afternoon.

It was not until he had reached 70 that Mr. Baker felt he was old enough to smoke and he combined this departure with the game of golf, which also marked a diversion from his previous habits. One phase of his activities aside from the banking field has recently been brought to public gaze—his $2,000,000 gift to Cornell University and his later presentation to Columbia University of the Dyckman tract, which has been renamed Baker Field in his honor.

Mr. Baker's business activities are varied. In addition to directing the policies of the First National Bank he keeps in close personal touch with enterprises which include railroads, public utility companies and life insurance companies. He is a director and member of the finance committee of the United States Steel Corporation.

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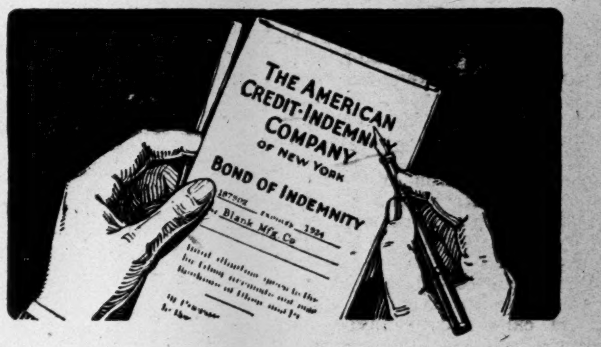
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WEALTH FROM FISHERIES

OTTAWA.—In a report issued today by the Dominion Bureau of Statistics, it is shown that the total value of production of the fisheries of Canada in 1922, comprising fish marketed for consumption fresh and canned, cured and otherwise prepared, was $41,908,076, an increase over the previous year of $6,976,141, or 19.97 per cent.

TRADE WITH BELGIUM

A. S. Bleakney, Canadian Trade Commissioner in Brussels, is expected to visit Canada in the middle of September with a view to undertaking a tour in the Dominion on behalf of Canadian export trade to Belgium. Canadian firms who desire to be brought in touch with Mr. Bleakney, or to interview him, should address their communications to the Director, Commercial Intelligence Service, Ottawa, in order that the necessary arrangements may be made.

Return of the Chartered Banks of the Dominion of Canada, June 30, 1923

Made to the Minister of Finance in conformity with Section 112 of the Bank Act, Chapter 9, of the Statutes of 1913

LIABILITIES

NAME OF BANK	Capital authorized	CAPITAL STOCK		Amount of Reserve Fund	Last Dividend declared	Notes in circulation	Due to Dominion Government	Due to Provincial Governments	Demand Deposits In Canada	Notice Deposits in Canada	Deposits Elswhere	Loans from Banks in Canada	Balance due to Banks n Canada	Due to Banks in the U.K.	Due to Banks Elsewhere	Bills Payable	Acceptance under letters of Credit	Other Liabilities	Total Liabilities	Loans to Directors	Average Gold and Coin Held	Average Dominion Notes Held	Greatest amount notes in circulation
		Capital Subscribed	Capital paid up																				
	$	$	$	$	%	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	31,175,000	27,250,000	27,250,000	27,250,000	12	40,312,231	18,996,915	9,275,661	128,246,360	290,438,340	92,196,522	.....	3,507,280	112,331	37,882	913,262	3,362,266	871,412	588,609,468	519,478	28,938,060	57,755,072	40,843,421
Nova Scotia	15,000,000	10,000,000	10,000,000	19,500,000	16	15,222,236	772,688	1,320,118	29,986,800	106,054,767	31,819,180	.....	2,873,514	28,681	1,642,369	278,898	391,695	402,357	190,793,309	873,280	9,529,679	11,156,235	15,319,367
Toronto	10,000,000	5,000,000	5,000,000	6,000,000	12	6,835,903	246,556	1,346,436	25,875,347	46,572,488	.....	.....	1,744,446	266,434	1,067,129	.....	347,943	3,143	84,305,828	567,240	990,523	6,640,571	6,835,903
Molsons	5,000,000	4,000,000	4,000,000	5,000,000	12	5,170,756	246,739	609,760	13,372,178	41,537,039	.....	.....	248,562	1,153	202,565	.....	352,184	251,730	61,992,670	94,299	596,902	3,893,851	5,170,756
National	5,000,000	3,000,000	2,991,800	400,000	6	4,932,590	2,186,027	1,121,353	5,725,863	25,674,224	7,061,888	.....	711	934	148,653	150,000	.....	102,836	47,105,083	306,320	424,200	1,046,200	4,937,895
Provincial	5,000,000	3,000,000	3,000,000	1,500,000	9	2,855,404	49,333	312,380	4,449,885	23,396,473	.....	.....	7,170	.....	1,162	.....	.....	163,354	31,235,164	.....	181,009	255,639	2,855,404
Union†	15,000,000	8,000,000	8,000,000	1,750,000	10	8,243,759	752,372	4,125,761	26,652,412	61,540,954	8,958,022	3,000,000	577,332	1,612,028	957,983	.....	1,229,153	15,981	117,665,762	814,359	1,168,851	6,837,075	8,243,795
Commerce	25,000,000	15,000,000	15,000,000	15,000,000	12	23,308,479	1,742,898	5,223,079	100,675,269	159,661,364	43,023,144	.....	116,276	445,010	7,962,660	1,287,515	6,996,578	17,620	350,459,898	1,474,934	15,375,000	22,194,000	23,308,479
Royal	25,000,000	20,400,000	20,400,000	20,400,000	12	29,809,866	1,072,026	1,751,553	91,954,526	180,697,687	148,033,095	.....	851,646	895,142	12,859,800	3,653,634	3,392,713	35,698	475,007,392	595,569	10,055,599	20,062,590	29,809,866
Dominion	10,000,000	6,000,000	6,000,000	7,000,000	12	7,336,828	2,914,784	505,311	27,641,931	65,152,401	4,620,356	.....	2,345,691	376,933	1,653,288	563,665	1,105,340	495,005	114,711,538	240,723	2,049,000	6,346,000	7,407,351
Hamilton	7,000,000	5,000,000	5,000,000	4,850,000	12	5,280,652	678,059	699,775	14,989,420	39,571,512	.....	.....	110,620	20,496	455,756	.....	253,290	.....	62,059,584	951,618	916,346	2,358,440	5,280,652
Standard	5,000,000	4,000,000	4,000,000	5,000,000	14	5,174,910	1,709,837	579,330	15,179,994	42,603,310	.....	.....	2,508,782	553,401	1,799,232	243	122,657	174	70,231,878	47,493	1,733,138	3,742,132	5,174,910
D'Hochelaga	10,000,000	4,000,000	4,000,000	4,000,000	10	6,275,072	372,775	129,580	9,418,529	44,249,029	.....	.....	.....	88,575	481,467	.....	39,410	2,138	61,056,578	108,135	535,421	2,093,599	6,275,072
Imperial	10,000,000	7,000,000	7,000,000	7,500,000	12	10,594,836	852,263	2,799,305	25,383,798	62,291,515	.....	.....	1,168,286	2,102	536,299	.....	124,421	.....	103,752,829	91,850	1,921,579	10,079,978	10,799,321
Home	5,000,000	2,000,000	1,960,591	550,000	7	1,805,250	248,919	2,124,967	7,208,281	12,087,454	.....	.....	2,952	218,567	1,167,482	.....	.....	25,174	24,889,049	225,812	231,475	1,271,833	1,891,400
Sterling	3,000,000	1,266,600	1,234,300	500,000	8	1,167,581	3,969,749	1,062,551	3,380,740	11,250,579	.....	.....	380,279	17,897	321,159	.....	10,016	1,670	21,562,224	169,621	65,262	805,799	1,167,581
Weyburn Security	1,000,000	655,700	524,560	225,000	7	331,757	54,960	3,500	1,015,686	1,466,736	.....	.....	.....	.....	15,502	.....	.....	24,746	2,912,889	26,390	18,675	93,783	331,757
Total	187,175,000	125,572,300	125,361,251	126,425,000	....	174,658,110	36,866,900	32,990,420	531,157,019	1,214,245,872	335,712,267	3,000,000	16,443,547	4,639,684	31,649,388	6,847,217	17,727,666	2,413,038	2,408,351,143	7,107,121	74,730,719	156,632,797	175,652,894

*Bonds of the Merchants Realty Corporation to the extent of $2,835,000 secured on premises leased to the Bank are in the hands of the public. These bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Bank of Montreal return.

†Bonds of the Canadian Realty Corporation, Ltd., to the extent of $2,600,000, secured on premises leased to the Bank, are in the hands of the public. These Bonds do not appear in the above Statement, as the Bank is not directly liable therefor.—Footnote to Union Bank return.

ASSETS

NAME OF BANK	Current Gold and Subsidiary Coin	Dominion Notes	Deposit for note circulation	In Central Gold Reserves	Notes of other Banks	Cheques on other Banks	Balances due from banks in Canada	Due from bank's in United Kingdom	Due from Banks elsewhere	Government Securities	Canadian municipal, British and foreign Securities	Railway and other bonds and stocks	Call loans in Canada	Call loans elsewhere	Other Current Loans in Canada	Other Current Loans elsewhere	Loans to Provinces	Loans to municipalities	Overdue debts	Real Estate other than premises	Mortgages on real estate sold	Bank premises Less written off	Letters of Credit	Other Assets	Total Assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal	30,229,442	55,354,570	1,620,000	15,000,000	3,969,893	23,084,749	**3,000,000	3,421,722	16,509,995	44,481,502	29,261,803	2,938,277	6,489,259	121,276,725	224,872,511	18,010,827	744,589	28,794,672	1,052,162	556,463	693,395	10,000,000	3,362,266	*1,382,678	646,107,512
Nova Scotia	9,469,161	11,220,128	481,442	6,000,000	3,064,854	12,399,366	.....	208,171	1,435,275	32,023,937	9,783,101	6,601,099	10,124,486	13,973,69[illegible]	79,369,110	11,764,450	.....	4,836,125	305,694	67,893	157,999	7,231,594	391,695	160,609	221,069,890
Toronto	979,223	6,785,881	270,354	2,150,000	605,730	5,544,725	.....	.....	1,028,670	15,477,324	3,451,567	1,204,474	7,297,762	.....	45,682,849	.....	.....	2,510,806	314,266	.....	.....	3,474,927	347,943	.....	97,126,507
Molsons	585,909	4,510,718	193,000	1,500,000	637,881	3,257,495	6,078	1,040,659	1,215,463	6,841,364	1,254,459	1,502,763	4,563,640	.....	39,388,315	.....	.....	660,653	484,472	50,056	18,357	3,123,774	352,184	420,974	71,608,224
National	425,922	855,912	111,745	2,100,000	615,445	2,125,966	498	.....	985,876	16,244	6,204,715	8,452,689	440,099	.....	25,826,551	.....	.....	409,380	845,589	399,799	327,603	176,424	.....	319,737	50,640,200
Provincial	170,770	265,632	155,497	.....	574,600	1,799,138	2,828,452	2,905	170,135	2,444,511	2,964,769	1,376,090	5,356,742	.....	14,745,151	.....	.....	1,398,649	225,788	5,500	9,882	1,278,561	.....	151,983	35,924,763
Union	1,164,518	7,148,051	395,000	300,000	630,865	5,178,344	75,951	861,744	2,884,008	19,583,953	7,955,660	†3,608,788	2,254,302	4,198,488	58,022,183	2,410,580	2,333,983	4,067,182	368,268	224,871	378,562	2,379,843	1,229,153	63,841	127,718,148
Commerce	10,222,278	20,053,181	772,518	9,300,000	3,313,472	16,423,753	5,623	937,992	9,539,108	34,960,840	12,107,071	6,425,716	15,016,528	19,923,170	168,018,670	23,154,935	3,149,772	13,407,843	754,473	928,714	160,265	7,630,950	6,996,578	58,617	383,262,078
Royal	10,449,233	22,360,599	1,050,589	11,000,000	26,680,548	20,243,017	3,784	1,210,897	20,814,996	29,631,086	15,720,623	11,140,819	18,340,805	52,071,842	152,739,823	98,464,510	83,275	9,291,790	472,419	1,675,513	142,002	12,526,110	3,392,713	59,995	519,567,000
Dominion	2,058,841	8,648,127	309,000	1,700,000	866,200	9,300,743	12	128,997	4,413,195	16,069,908	3,965,971	2,115,229	6,816,093	5,913,456	54,878,066	2,267,193	.....	1,236,355	330,205	68,582	16,126	6,192,416	1,105,340	358,257	128,758,323
Hamilton	953,221	2,935,163	250,000	500,000	593,354	4,322,720	366,532	68,713	481,286	3,172,988	2,796,921	412,587	7,223,773	.....	37,745,275	.....	44,533	5,417,187	325,829	685,590	109,433	3,379,196	253,290	344,204	72,381,812
Standard	1,746,287	3,800,247	200,000	1,300,000	398,331	5,219,579	100,000	113,631	801,882	8,714,483	2,365,498	955,010	3,366,119	.....	46,413,512	.....	.....	1,764,790	383,701	280,540	49,100	1,895,682	122,657	70,311	80,061,368
D'Hochelaga	559,232	1,990,439	200,000	2,300,000	1,210,046	3,131,697	190,134	59,314	460,052	3,446,659	5,829,312	920,175	5,291,015	.....	36,435,215	.....	.....	2,219,540	648,842	311,925	606,481	3,643,012	39,410	77,231	69,569,739
Imperial	1,902,083	9,309,602	329,040	4,502,533	1,296,147	6,042,365	796,663	380,947	1,361,183	13,352,781	4,642,343	407,798	3,240,040	2,250,000	56,318,946	.....	279,313	5,708,628	435,098	424,138	383,424	5,624,645	124,421	583,275	119,695,420
Home	230,523	2,142,225	100,000	.....	439,321	1,953,380	102,082	40,027	1,359,784	355,974	220,725	2,998,459	802,913	.....	15,677,286	22,748	.....	91,432	140,699	887,268	101,726	434,558	.....	133,572	27,434,709
Sterling	63,755	1,055,413	66,000	.....	127,461	561,421	5,000	24,470	155,059	11,259,670	1,336,548	294,575	74,952	.....	7,371,528	.....	.....	250,197	25,547	12,642	7,273	590,903	10,016	106,805	23,399,242
Weyburn Security	17,970	92,394	23,547	.....	17,473	16,106	206,590	.....	153,950	106,908	13,314	.....	.....	.....	2,349,738	.....	.....	94,552	113,701	111,347	51,496	215,356	.....	64,051	3,648,500
Total	71,228,368	158,528,282	6,527,732	57,652,533	45,041,621	120,604,564	7,687,399	8,500,189	63,769,917	241,940,132	109,874,400	51,354,548	96,698,528	219,607,375	1,065,854,729	156,095,243	6,635,465	82,159,781	7,226,753	5,890,850	3,213,123	69,797,951	17,727,666	4,356,140	2,677,973,435

Column No. 4. Of this deposit $9,502,533 is in gold coin; the balance is in Dominion notes.

*This amount includes $885,000 bonds of the Merchants Realty Corporation held by the Bank that were not issued to the public.—Foot-note to Bank of Montreal return.

†This amount includes $1,150,000 of Bonds of the Canadian Realty Corporation, Ltd., which were not issued to the public, and $99,300 of Stock of the Canadian Realty Corporation, Ltd., held by the Bank.—Foot-note to Union Bank return.

**Loans to other banks in Canada secured including bills rediscounted.

GRAIN CARRIERS TO ADD CHARGES FOR DEMURRAGES

Will Make Grain Shippers Gamble on Elevator Operations

UNCERTAINTY STILL

Shippers and Vessel Owners Yet in Doubt as to Operation of New Federal Legislation

From Our Own Correspondent

MONTREAL.—Vessel owners on the Great Lakes who are affected by the Dominion legislation regarding freight rates are protecting themselves against possible losses by inserting demurrage clauses in their contracts with shippers. In the past they have been willing to gamble on getting their boats loaded and unloaded quickly. Now they intend to shift the element of chance on to the shipper of grain, letting him assume any losses that may be incurred by reason of a boat being tied up through congestion at elevator ports.

The new act which requires vessel owners to file schedules of their rates, comes into force next week, but shippers, vessel owners and others connected with the grain trade and grain carrying are still wondering where they are at. Ottawa has failed to move in interpreting some clauses in the act and in clarifying the situation by information. It is possible that the act may be shelved for the present season; the act is on the statute books and cannot be changed until Parliament meets again, but as it stands it has aroused the ire of farmers, exporters and vessel owners. The farmers and shippers are particularly angry, although they are the people who asked for the legislation. The vessel owners are least perturbed because they know that they will have to carry the grain; that they will get fair rates for carrying the grain and that they can get something extra out of demurrage charges.

American Boats Stay Out

The one thing that the farmers and shippers had hoped would come out of the legislation, the entrance of American boats into the lake traffic, has not been accomplished. The American boats, as was pointed out last week, have no intention of entering the Canadian grain trade under the present legislation, because it would involve the filing of their tariff schedules with the Board of Grain Commissioners for Canada. And as they have for many years fought their own Interstate Commerce Commission on the question of filing schedules with that body they are not likely to establish a precedent in Canada that they do not want to follow in the United States.

The trouble does not seem to be with the legislation, which followed out closely the recommendations of the Royal Commission on grain rates that sat last winter and which was highly approved by shippers and Western farmers when passed, but with the inertia Ottawa is displaying in the matter. Governmental officials charged with the enforcement of the legislation, have shown an unwillingness to answer questions or to formulate policies on debatable points. James Carruthers, head of the grain firm bearing his name, puts it this way, "We are all at sixes and sevens. We don't know where we are at and Ottawa does not seem to care what happens."

Mr. Carruthers objects to the clauses requiring boat owners to post records of their contracts at the Winnipeg Grain Exchange. It would work out, he states, that if a man contracts to ship 10,000,000 bushels on a certain date that shipper would be compelled to pay a higher price for his grain because the seller would know he had to have that quantity at a certain time.

T. R. Enderby, of the Canada Steamships Lines, voices some objections from the standpoint of the vessel owners. He says:

"The ship owners can work under this Act; but what the result is going to be to the country generally and the movement of the crop is difficult to see.

"We have the general objection to the interference with a business which requires highly technical and expert knowledge by people who know nothing of the subject under discussion.

"Freight rates will be governed by the law of supply and demand and competition. The advantage we propose to secure from this legislation is to remove the element of chance, when compiling our rates, by the inclusion of a demurrage clause and let the grain shippers assume the element of chance. This means that the freight rate is set for the carriage of grain between two separate ports, and the demurrage is set to pay for the boat while it is waiting to load or unload. This gamble, the ship owners have always taken previously. Now the grain shipper will be forced to take the gamble."

Canada Seller Rather Than Buyer of Autos

From Our Own Correspondent.

OTTAWA.—In the fiscal year ending March, 1914, Canada imported from Great Britain 389 autos and motor vehicles, valued at $621,979, and $31,989 worth of parts, or a total of $654,960. In the fiscal year ending March last the number of automobiles imported from Britain was only 57, valued at $212,444, with parts valued at $59,521, or a total of only $271,965, or considerably less than 50 per cent. of the importations of a decade ago.

To show how these imports have fallen off, the June returns indicate that only four passenger and freight automobiles were imported during that month from Great Britain, and only $2,045 worth of parts.

Turning to exports of autos during the fiscal year 1914, Great Britain took 291, valued at $320,407. During the year ending March last she took from Canada 17,838, valued at $9,119,752 and $425,597 of parts, or a total of $9,586,961. In June Britain took 498 cars and $72,000 worth of parts.

The total value of automobile exports during the 12 months ending June was $33,000,000, as compared with $14,267,000 during the preceding year.

NO INFLATION IN STEEL INDUSTRY

Unfilled Tonnage Abnormally Low for 100% Operations of Country's Steel Mills

As a result of hot weather and shortage of labor, a slowing up in steel production in July and August is expected. There are many manufacturers who believe new bookings will begin to increase in September. No upward trend is looked for in July and August, but general belief is there will be no great falling off in production as a result of decreased specifications.

Downward tendency of incoming orders began in March when unfilled tonnage of U. S. Steel amounted to 7,403,332 tons. On May 31 it aggregated a total of 6,981,351 tons, a decrease for the two months of 421,981 tons. Assuming a falling off of 350,000 tons last month unfilled tonnage on June 30, would be approximately 6,631,000 tons. This would compare with 5,635,531 tons June 30, 1922; 5,117,868 tons June 30, 1921; 10,978,817 tons June 30, 1920, and 4,982,855 tons June 30, 1919.

The Steel Corporation, although operating full, has on its books only 2,590,000 tons more business than the record of 4,141,069 tons on Feb. 28, 1922. Therefore, there will be plenty of room for tonnage expansion beginning in the fall of this year.

Considering full operations, unfilled tonnage of U. S. Steel is abnormally low, but in one sense this is favorable as there is no likelihood of drastic cancellations such as occurred in 1920. The high point reached in that year was 11,118,468 tons on July 31. Six months afterward, Jan. 31, 1921, unfilled tonnage was 7,753,164 tons, a drop off of 3,545,304 tons. In the following six months to July 31, there was a drop to 4,830,324 tons. The shrinkage from July 31, 1920, to July 31, 1921, amounted to 6,288,144 tons. This falling off in a period of twelve months was equal to almost the entire unfilled tonnage U. S. Steel now has on its books.

Trend of the Steel Corporation's unfilled tonnage gives one a good idea of conservatism employed by consumers as well as producers since the present period of prosperity began. It shows there has been no inflation and that consumers have not been buying ahead in anticipation of a great expansion in business as they did in 1920.

It is evident there is a big buying power in reserve and if there is no material falling off in operations between now and September, industry will have to start to increase inventories next fall if not sooner. The unfilled orders of U. S. Steel, according to manufacturers, bear out the claim that present prosperity has been built up without inflation.

Millions Transferred Through New York Streets

Fourteen armored motor cars, port holes bristling with machine guns, removed the securities and cash from the old to the new Bowery Savings Bank Building, New York. The transfer was undertaken at a time when Park and Madison Avenues and other thoroughfares paralleling Fifth Avenue were choked with traffic diverted from Fifth Avenue on account of the parade that marked the end of the City's Jubilee. More than one hundred police were required to clear the route for the armored cars as they sped along, one following the other at five-minute intervals. The job was completed in an hour and forty minutes, and the bank's $202,000,000 was accounted for to the last penny when William E. Knox, president of the institution, personally supervised the check-up and announced that the enormous amount of wealth had been transferred at the rate of $34,000 a second.

NEW STAMP TAXES WHICH WENT INTO EFFECT AUGUST 1

Some Legal Aspects of the Stamp Tax On Receipts

On August 1, Sections 1, 2 and 3 of the Special War Revenue Act went into effect. This provides that $1 will be the maximum amount of tax payable on cheques; bills of exchange payable on demand or at sight or on presentation, or within three days after date or sight; receipts for money paid to a person by a bank chargeable against deposit of money to his credit; express money orders; travellers' cheques and postal money orders. Two cents in stamps if the amount does not exceed $50, two cents for every $50 or fraction thereof up to $2,500, and on amounts exceeding $2,500, the maximum tax of one dollar.

Amendment to Section 3, paragraph 1, are such as to have the effect of making subject to the tax all receipts for $10 or upwards by or on postcards, form letters and letters, which formerly were exempt.

In connection with receipts which have not been stamped in accord with the regulations there is the following provision:

A receipt given without being stamped may be stamped within one month after it has been given, upon the following terms: The stamp shall be affixed to the receipt in the presence of any collector of customs and excise by the person who gave the receipt, and shall be cancelled in the same manner as provided for all other cancellations, by writing across it. Before such person may affix the stamps he shall pay to the said collector of customs and excise a penalty of ten dollars for the public uses of Canada. The collector shall write on the receipt a certificate to the effect that the stamp was affixed in his presence by the person who gave the receipt and that such person before affixing the stamp, paid to the said officer the penalty of ten dollars; and the certificate shall bear the date on which it was given and shall be signed by the officer.

Legal Aspect

Changes in Section 3 also deal with the legality of unstamped receipts in the courts. Upon production as evidence in court or before any trustee under the Bankruptcy Act, of an unstamped receipt, notice shall be taken by the judge or other official of the omission and the receipt may, upon payment to the judge of a penalty of twenty dollars, be received in evidence. It is provided definitely that except as provided in the foregoing, a receipt liable to taxation under this section shall not, except in criminal proceedings, be given in evidence or be available for any purpose whatsoever, unless it be duly stamped in accordance with the law in force at the time when it was given.

Instructions issued to collectors regarding stamp tax on receipts of ten dollars and upwards, provide that effective from August 1 letters including form letters forwarded by mail, also post cards, acknowledging the payment of money of ten dollars and upwards are subject to the stamp tax on receipts. The regulations eliminating from tax counter sales slips and cash register tickets, provided they have no words on them implying or stating acknowledgement of the receipt or the payment of money; the taxing of payrolls, individual freight bills and periodical statements of same, customs house brokers' receipts, insurance policies, receipts drawn out of Canada but not valid until countersigned in Canada, etc., are little changed. Voucher cheques and cheques with receipts endorsed thereon, when drawn upon or addressed to a bank are not taxable as receipts. Neither is remitters' counterfoil, being part of a taxable express money order, taxable as a receipt. Provision is made that firms or persons desiring to have receipts stamped by a die can make application for stamping to the Department of Customs and Excise.

The special meeting of the shareholders of the King Edward Hotel Company called for Wednesday was postponed until September 5th, owing to the inability of the solicitors to get matters in shape to present.

The "No More War" Campaign Being Directed by Moscow Reds

WASHINGTON.—Dr. R. M. Whitney of the Washington Bureau of the American Defense Society, said to-day that there is a direct connection between certain organizations advocating disarmament in this country and the international Communist movement. The "law—no more war" agitation throughout the country, according to Mr. Whitney, has been indorsed officially by the Communists in the United States by direction of the Communist Internationale in Moscow.

Mr. Whitney said instructions have been sent from Moscow for the Communists in this country actively to encourage every organization devoted to pacifism, disarmament, "no more war days" and any movement which will tend to reduce the military forces in size and ability.

"Frederick J. Libby, executive secretary of the pacifist organization back of the 'law—no more war' agitation, is on record in the official bulletin of his council as declaring that 'Soviet Russia has found a friend in this bulletin,'" said Mr. Whitney. "It is also interesting to note that organizations and individuals connected with Mr. Libby's mother body of pacifists are notably interested in the work done by the Communists in Russia and in the endeavor to spread Communist doctrines throughout the world.

"These people and bodies are always urging the abolition of the military forces in all countries except Red Russia. Never by any chance do they advocate any reduction of the Red army, which is now said by competent American observers to be the biggest and best equipped army on earth."

Official Washington is a little surprised at the recognition that the "law—no more war" agitation is receiving at the hands of some State officials throughout the country. It is also said that many of the pacifist and disarmament organizations are in sympathy with the Russian Communist movement which plots to establish a workers republic in this country. It is also said that Frederick J. Libby, executive secretary of the organization back of the "law—no more war" agitation, is on record as saying Soviet Russia "has found a friend" in the bulletin of his council.

SYDNEY STRIKERS FINALLY VOTE TO RETURN TO WORK

Bitter Feeling but There is Chance for Better Relations

From Our Own Correspondent

SYDNEY.—The Red element which inspired the labor uprising in the ranks of the mine and steel workers has failed in its effort. Under new union leaders, following the deposition of the radicals by International President Lewis, the men have finally voted to return to work after a large number of the strikers had already gone back to their jobs. There is a lot of bitter feeling in the situation, as evidenced by the recent bomb outrages to cut off the water supply of the steel plant, but for the time being at least, the Soviet campaign has been headed off. It is to be hoped that the company will take advantage of the situation to establish a better understanding with its workers and thus endeavor to circumvent further propaganda by the radicals.

The strike was precipitated by the local union of the Amalgamated Association of Iron Workers when the corporation refused to meet a demand for a 20-per cent. wage increase and the adoption of the check-off, which meant recognition of the union. Militant picketing methods and disorders followed quickly upon the beginning of the strike.

A few days after the arrival of the provincial police and soldiers the miners at most of the "Besco" collieries in the province quit work and declared that they would not return to the pits until the police and troops were withdrawn. Subsequently the miners added as a second condition the release of Dan Livingstone and J. B. McLachlan, then district leaders of the United Mine Workers, who had been arrested on criminal charges based on alleged false statements which they were alleged to have published, jeopardizing public interest. President Lewis, however, deposed Livingstone and MacLachlan and ordered the men back to work.

SECTION 88 OF BANK ACT, AS FINALLY PASSED

(Continued from Page 9)

thereof so submitted shall be covered by such security as if originally covered thereby; but failure to obtain the consent of the bank to any such substitution shall not affect the validity of the security either as respects any products, goods, wares and merchandise, or live stock or dead stock or the products thereof actually substituted as aforesaid or in any other particular.

5. Any such security as mentioned in the foregoing provisions of this section may be given by the owner of the said products, goods, wares and merchandise, stock or products thereof, or grain.

6. The security may be taken in the form set forth in Schedule C to this Act, or to the like effect.

7. The bank shall, by virtue of such security, acquire the same rights and powers in respect of the products, goods, wares and merchandise, stock or products thereof, or grain covered thereby, as if it had acquired the same by virtue of a warehouse receipt; provided, however, that the wages, salaries or other remuneration of persons employed by any wholesale purchaser, shipper or dealer, by any wholesale manufacturer, or by any farmer in connection with any of the several wholesale businesses referred to, or in connection with the farm, owing in respect of a period not exceeding three months, shall be a charge upon the property covered by the said security in priority to the claim of the bank thereunder, and such wages, salaries or other remuneration shall be paid by the bank if the bank takes possession or in any way disposes of the said security or of the products, goods, wares and merchandise, stock or products thereof, or grain covered thereby.

8. The bank may lend money to the owner, tenant or occupier of land for the purchase of seed grain upon the security of any crop to be grown from such seed grain.

9. The security taken under Subsection 8 of this section may be taken in the form set forth in Schedule D to this Act or in a form to the like effect.

10. The bank shall, by virtue of such security, acquire a first and preferential lien and claim for the sum secured and interest thereon upon the seed grain purchased and the crop covered by the security, as well before as after the severance of the crop from the soil, and upon the grain threshed therefrom, and the bank shall, by virtue of such security, acquire the same rights and powers in respect of such seed grain and of the grain so threshed as if it had acquired such rights and powers by virtue of a warehouse receipt.

11. The bank shall have the right, through its servants or agents, in case of default in payment of the money lent or in case of neglect to care for and harvest the crop, or in case of any attempt to dispose of the crop without the consent of the bank, or in case of the seizure of the crop under process of law, to enter upon the land upon which the crop is grown, to take possession of, care for and harvest the crop and thresh the grain therefrom.

12. The bank may lend money to a farmer and to any person engaged in stock raising upon the security of his live stock; provided, however, that such security shall not include and shall be deemed not to include any live stock which at the date of the coming into force of this Act is by any statutory enactment exempt from seizure under writs of execution. The provisions of Subsection 4 of this section, making live stock substituted for live stock removed subject to the security, shall apply to the live stock substituted by the farmer or other person engaged in stock raising. "Live stock" for the purposes of this section means horses and mares, bulls, cows, oxen, bullocks, steers, heifers and calves, sheep and swine and the offspring of any of such animals.

13. The security taken under Subsection 12 of this section may be taken in the form set forth in Schedule E to this Act in a form to the like effect.

14. The bank shall, by virtue of the security taken under Subsection 12 of this section, have full power, right and authority, if the bills or notes therein mentioned or described or any of them are not paid according to their tenor, to enter upon the premises upon which the live stock mentioned in the security are, to take possession of or seize such live stock, and before or after such taking possession of or seizure, to sell such live stock, or such part thereof as may be necessary to realize the amount due and payable, at public auction, not less than five days after—

(a) notice of the time and place of such sale has appeared in a newspaper published in or nearest to the place where the sale is to be made, and

(b) posting notice in writing or in print of time and place of such sale in or at the post office nearest to the place where the sale is to be made.

15. After all necessary and reasonable expenses in conection with such seizure and sale have been deducted and prior privileges, liens or pledges existing in favor of third parties and for which claims may have been filed with the party making the sale have been satisfied, the balance of the proceeds of the sale shall be applied in payment of the said bills or notes and the surplus if any returned to the grantor.

Registration of Lien

88a. Any person intending to give a bank security under the authority of Section 88 of this Act must give notice of such intention before any loan is made by the bank to such person and the security taken, by signing a document which may be in the form set out in Schedule F to this Act or to the like effect. Such document shall be registered in the manner hereinafter provided, and, after this section comes into force, any security subsequently taken under the authority of Section 88 of this Act before such document is registered shall be null and void as against the creditors of such person and as against subsequent purchasers or mortgages in good faith. A notice of intention when registered shall be deemed to be notice for purpose of this section in respect of all securities taken by the bank from such person, under said authority, during the period of three years after the date of registration.

2. The document mentioned in the last preceding subsection shall be registered in the office of the Assistant Receiver-General (hereinafter called the Assistant Receiver) in the province in which the place of business, or principal place of business in case the person has more than one place of business, of the person is situate. If the person has no place of business, then the document shall be registered in the office of the Assistant Receiver in the province in which such person resides. "Place of business" and "principal place of business" shall, in the case of a company incorporated in Canada, be deemed to be the place where the head office or chief place of business of the company is situate, or if a foreign corporation, then the place of business of such corporation for the purposes of this section shall be the place at which civil process in the province in which the loan is made can be served upon the company. "Assistant Receiver" in this section includes anyone acting for the Assistant Receiver.

Assistant Receiver's Duties

3. The Assistant Receiver shall number consecutively every notice received by him and shall endorse thereon the number and the hour and date of receiving it, and shall file the notice and enter, in alphabetical order, in a book to be keep by him, the name of every person who has given notice of such intention, with the number endorsed opposite to each name. The Assistant Receiver shall endorse over his signature on a copy of the document, to be supplied by the bank, for the records of the bank, the date of registration and number, and the production of the copy with such endorsation and signature shall be conclusive evidence in all courts of the registration and of the time of registration as thereon endorsed.

4. The notice of intention may be cancelled by the Assistant Receiver in the book containing such registration at the place where the registration is entered on receipt by him from the bank named in the document registered of a certificate duly signed on behalf of the bank to the effect that each and every security under Section 88 given to the bank by the person has been released, or that no security was given to the bank, as the case may be, and such certificate shall bear on the face thereof the number and date endorsed on the original document on file in the office of the Assistant Receiver. The Assistant Receiver shall number consecutively every release received by him and shall endorse thereon the number and the hour and date of its receipt and shall file the release.

5. Every person, upon payment o the proper fees, shall have access to and be entitled to inspect the registration book and any document registered or filed pursuant to this section.

6. For services under this Act, the Assistant Receiver shall be entitled to the following fees, for which he shall be accountable to the Consolidated Revenue Fund:

For registration of each notice and endorsation of copy over signature, 25c.

For production of registration book for inspection, 25c.

For production of any notice for inspection, 25c.

For registration of each certificate of release, 25c.

7. This section shall come into force on the first day of August, 1923.

Outremont Board of Protestant School Trustees

TENDERS FOR DEBENTURES

SEALED TENDERS are invited for the purchase of debentures to the amount of $260,000.00, bearing 5½ per cent. interest, payable half-yearly in Canadian Funds, for a period of twenty years. Tenders will be received at the office of the undersigned up to 6 p. m. August 9th, 1923. Can be arranged in suitable denominations.

This issue is for the purpose of extending school accommodation.

No tender necessarily accepted.

By Order of the Board,

W. F. ROWELL,
Secretary-treasurer.

520 St. Catherine Road,
OUTREMONT, QUE.

Expansion Reported in Metal Working Trades

Business in the metal-working industry is showing a definite tendency to expand, according to Canadian Machinery. While the growth is slow, it is sure, and executives confidently predict that the month of August and the last half of the year will show substantial gains.

The strike in the East is over and the steel workers are rapidly returning to work, although Eastern blast furnaces and rolling mills have very little large business on their books, as, when the walk-out occurred, many customers cancelled their orders under the strike clause.

Ontario and Western rolling mills, obtaining their ore from Northern Michigan and the Superior districts, were not affected by the strike and they have made steady progress.

Dupuis Freres Limitee

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of 2% being the 8th, for the quarter ending the 31st of July, 1923, being at the rate of 8% per annum, has been declared upon the paid-in Cumulative Preferred Stock of the Company to shareholders of record at the close of business on the 31st of July, 1923, and payable on the fifteenth day of August, 1923, to such shareholders who have purchased their shares from the Company on or before the 30th of April, 1923.

Interest at the rate of 8% per annum will be paid to those who have become shareholders after the 30th of April from the date of their subscription.

By order of the Board.

(Signed) ARMAND DUPUIS,
Secretary-Treasurer.

TIMBER AND PULPWOOD

Solid tract of 200,000 acres of Crown Grant land in British Columbia, carrying more than billion feet of timber, white pine, cedar, western hemlock, spruce and balsam mainly, very little fir and larch. Over half million cedar poles. About half timber spruce, balsam and hemlock. Low price. Will consider Vancouver or Winnipeg improved or Alberta or Saskatchewan farm lands as part payment.

JAMES A. NOWELL, Owner,
Globe Building, St. Paul, Minn.

The Canadian Bank of Commerce

DIVIDEND No. 146

NOTICE IS HEREBY GIVEN that a dividend of three per cent. upon the paid-up capital stock of this Bank has been declared for the quarter ending 31st August, 1923, payable at the Bank and its Branches, on and after Saturday, 1st September next, to shareholders of record at the close of business on the 16th day of August, 1923.

By Order of the Board.

JOHN AIRD,
General Manager.

Toronto, 20th July, 1923.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Saturday, the FIRST day of SEPTEMBER next, to Shareholders of record of 31st July, 1923.

By order of the Board,

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 20th July, 1923.

QUEBEC POWER COMPANY

NOTICE is hereby given that at a meeting of the Board of Directors of Quebec Power Company, held at Quebec, on the 25th of July, 1923, a dividend of 10% on the Paid-up Common Stock of the Company was declared, payable 1st of August, 1923, to Shareholders of record at the close of business on the 25th of July, 1923.

It is provided that such dividend payment be discharged by the issue of 1,600 shares of 7% Preference Stock of Quebec Power Company at par, through the delivery to each holder of Common Shares of a principal sum in such Preference Shares equal to 10% of the par value of his holdings in Common Shares.

Fractional holdings issued in connection with such dividend will be adjusted by Aldred & Company, Limited, Room 604, Royal Trust Building, Montreal, at par, up to the close of business on the 24th of August, 1923.

By order of the Board,

JAMES WILSON,
Secretary.

The Royal Bank of Canada

DIVIDEND No. 144

NOTICE is hereby given that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Saturday, the first day of September next, to shareholders of record at the close of business on the 15th day of August.

By order of the Board.

C. E. NEILL,
General Manager.

Montreal, Que., July 17, 1923.